NOKIA CORP
Form F-4/A
November 06, 2015
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As filed with the Securities and Exchange Commission on November 6, 2015

Registration No. 333-206365

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 2 to

Form F-4

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

Nokia Corporation

(Exact name of registrant as specified in its charter)

Republic of Finland	**3663**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification Number)**

Karaportti 3, FI-02610 Espoo, Finland, +358 (0) 10-448-8000

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Genevieve A. Silveroli, Nokia USA Inc., 6000 Connection Drive, Irving, Texas 75039, +1 (972) 374-3000

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Riikka Tieaho	**Scott V. Simpson**
Vice President, Corporate Legal	**Michal Berkner**
Nokia Corporation	**Skadden, Arps, Slate, Meagher & Flom (UK) LLP**
Karaportti 3	**40 Bank Street**
FI-02610 Espoo	**London E14 5DS**
Finland	**United Kingdom**
Tel. No.: +358 (0) 10-448-8000	**Tel. No.: +44 20-7519-7000**

Approximate date of commencement of proposed sale to the public: As soon as practicable after this registration statement becomes effective.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ¨

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) x

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per share	Proposed maximum aggregate offering price	Amount of registration fee
Shares(1)	590 000 000(2)	$7.33	$4 324 700 000	$435 497.29(5)

(1) A portion of the shares of Nokia Corporation (Nokia Shares) registered hereby may be represented by American depositary shares (Nokia ADSs), each representing one Nokia Share, which have been registered pursuant to a separate registration statement on Form F-6 (Reg. No. 333-182900). Pursuant to the Exchange Offer to be made in the United States by Nokia Corporation (the U.S. Offer), Nokia Shares and Nokia ADSs will be offered and sold pursuant to this Registration Statement to holders of ordinary shares, nominal value EUR 0.05 per share of Alcatel Lucent (Alcatel Lucent Shares) and to holders of American depositary shares, each representing one Alcatel Lucent Share. Furthermore, pursuant to the U.S. Offer, Nokia Shares will be offered and sold pursuant to this Registration Statement to holders of Alcatel Lucent convertible bonds.

(2) Represents the maximum number of Nokia Shares (including Nokia Shares represented by Nokia ADSs) expected to be offered and sold in the U.S. Offer described herein pursuant to this registration statement.

(3) In accordance with Rule 457(c) and Rule 457(f)(1) under the Securities Act of 1933 (the Securities Act), the proposed maximum offering price per share has been calculated based upon the average of the high and low price of the Alcatel Lucent ADSs on the NYSE equal to $4.03 on November 2, 2015 divided by 0.5500, representing the ratio of Nokia Shares to Alcatel Lucent Shares being offered to holders of the Alcatel Lucent Shares pursuant to this exchange offer/prospectus. Offering prices are estimated solely for the purpose of calculating the registration fee.

(4) In accordance with Rule 457(c) and Rule 457(f)(1) under the Securities Act, the proposed maximum aggregate offering price has been calculated as the product of (a) the maximum number of Nokia Shares (including Nokia Shares represented by Nokia ADSs) expected to be offered and sold in the U.S. Offer and (b) the proposed maximum offering price per share.

(5) $406 384.92 of this amount was previously paid.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission (the SEC), acting pursuant to said Section 8(a), may determine.

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Preliminary Exchange Offer/Prospectus

The U.S. Offer to exchange Alcatel Lucent Shares and OCEANEs set forth in this exchange offer/prospectus is not made to any person located in the European Economic Area and the U.S. Offer to exchange Alcatel Lucent ADSs set forth in this exchange offer/prospectus is only made to persons located in the European Economic Area pursuant to an exemption or exemptions from the Prospectus Directive (Directive 2003/71/EC, as amended). In addition, for the purposes of the proposed French Offer and Admission (both terms as defined below), this exchange offer/prospectus is not offer documentation or a prospectus and no such person should subscribe for or purchase any transferable securities referred to in this document except on the basis of information contained in the prospectus approved by the Finnish Financial Supervisory Authority and passported in France in accordance with the Prospectus Directive (the Listing Prospectus), and the separate French Offer documentation filed with the French stock market authority (*Autorité des marchés financiers*, or AMF) (the French Offer Documentation), which in each case are proposed to be published by Nokia in due course in connection with the proposed French Offer and the Admission of the Nokia Shares to Euronext Paris. A copy of the Listing Prospectus and the French Offer Documentation will, following publication, be available on Nokia s website at *www.nokia.com*. None of the Listing Prospectus, the French Offer Documentation or the information on Nokia s website forms a part of this exchange offer/prospectus, nor are such documents incorporated by reference herein.

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The information in this preliminary exchange offer/prospectus is not complete and may be changed. Nokia may not complete the Exchange Offer and issue its securities referred to below until the registration statement filed with the Securities and Exchange Commission becomes effective. This preliminary exchange offer/prospectus is not an offer to sell these securities and Nokia is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion Dated November 6, 2015

U.S. Offer to Exchange

All

Ordinary Shares held by U.S. Holders

American Depositary Shares

OCEANEs held by U.S. Holders

of

ALCATEL LUCENT

for

0.5500 Nokia Share per Alcatel Lucent Ordinary Share

0.5500 Nokia American Depositary Share per Alcatel Lucent American Depositary Share

0.6930 Nokia Share per 2018 Alcatel Lucent OCEANE

0.7040 Nokia Share per 2019 Alcatel Lucent OCEANE

0.7040 Nokia Share per 2020 Alcatel Lucent OCEANE

by

NOKIA CORPORATION

Nokia Corporation (Nokia), a Finnish corporation, is conducting, upon the terms and subject to the conditions set forth in this exchange offer/prospectus and the French Offer Documentation, an exchange offer comprised of two offers (separately, the U.S. Offer and the French Offer and collectively, the Exchange Offer). The U.S. Offer is being made pursuant to this exchange offer/prospectus to:

all U.S. holders (within the meaning of Rule 14d-1(d) under the U.S. Securities Exchange Act of 1934 (the Exchange Act)) of outstanding ordinary shares, nominal value EUR 0.05 per share (the Alcatel Lucent Shares) of Alcatel Lucent, a French *société anonyme* (Alcatel Lucent), all holders of outstanding Alcatel Lucent American depositary shares, each representing one Alcatel Lucent Share (the Alcatel Lucent ADSs), wherever located, and

all U.S. holders of outstanding (i) EUR 628 946 424.00 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on July 1, 2018 (the 2018 OCEANEs), (ii) EUR 688 425 000.00 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on January 30, 2019 (the 2019 OCEANEs) and (iii) EUR 460 289 979.90 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on January 30, 2020 (the 2020 OCEANEs and, together with the 2018 OCEANEs and the 2019 OCEANEs, the OCEANEs and, together with the Alcatel Lucent Shares and the Alcatel Lucent ADSs, the Alcatel Lucent Securities).

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Holders of Alcatel Lucent ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer. Holders of Alcatel Lucent Securities who are restricted from participating in the U.S. Offer pursuant to the Sanctions (as defined below) may not participate in the U.S. Offer.

For every Alcatel Lucent Share you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 share of Nokia (a Nokia Share). For every Alcatel Lucent ADS you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 Nokia American depositary share (a Nokia ADS), each Nokia ADS representing one Nokia Share. For every 2018 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.6930 Nokia Share, for every 2019 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share, and for every 2020 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share.

The French Offer to exchange 0.5500 Nokia Share for every Alcatel Lucent Share, 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE, and 0.7040 Nokia Share for every 2020 OCEANE, is being made pursuant to the French Offer Documentation available to holders of Alcatel Lucent Shares and OCEANEs located in France (holders of Alcatel Lucent Shares and OCEANEs located outside of France may not participate in the French Offer except if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the French Offer).

No fractional Nokia Shares or fractional Nokia ADSs will be issued. Holders of Alcatel Lucent Securities tendering into the U.S. Offer or the French Offer will receive cash in lieu of any fractional Nokia Shares or Nokia ADSs to which such holders may otherwise be entitled, following the implementation of a mechanism to resell such fractional Nokia Shares or Nokia ADSs.

Holders of options to acquire Alcatel Lucent Shares (Alcatel Lucent Stock Options) who wish to tender in the Exchange Offer or the subsequent offering period, if any, must exercise their Alcatel Lucent Stock Options, and Alcatel Lucent Shares must be issued to such holders prior to the Expiration Date (as defined below) or the expiration of the subsequent offering period, as applicable. Pursuant to the Memorandum of Understanding dated April 15, 2015 between Nokia and Alcatel Lucent, as amended on October 28, 2015 (the Memorandum of Understanding), Alcatel Lucent agreed to accelerate or waive certain terms of the Alcatel Lucent Stock Options, subject to certain conditions.

Restricted stock granted by Alcatel Lucent (Alcatel Lucent Performance Shares) cannot be tendered in the Exchange Offer or the subsequent offering period, if any, unless such Alcatel Lucent Performance Shares have vested and are transferable prior to the Expiration Date (as defined below) or the expiration of the subsequent offering period, as applicable. Pursuant to the Memorandum of Understanding, Nokia and Alcatel Lucent agreed to implement a mechanism with respect to unvested Performance Shares granted before April 15, 2015 pursuant to which the beneficiaries may waive their rights to receive Alcatel Lucent Performance Shares in exchange for Alcatel Lucent Shares, subject to certain conditions.

As a result of the matters described in The Transaction Reasons for the Alcatel Lucent Board of Directors Approval of the Transaction , the participating members of the Alcatel Lucent board of directors, taking into account the factors described in that section, unanimously:

(i) determined that the Exchange Offer is in the best interest of Alcatel Lucent, its employees and its stakeholders (including the holders of the Alcatel Lucent Shares and holders of other Alcatel Lucent Securities);

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(ii) **recommended that all holders of Alcatel Lucent Shares and holders of Alcatel Lucent ADSs tender their Alcatel Lucent Shares and/or their Alcatel Lucent ADSs pursuant to the Exchange Offer; and**

(iii) **recommended that all holders of OCEANEs tender their OCEANEs pursuant to the Exchange Offer.**

The U.S. Offer is being made on the terms and subject to the conditions set forth in The Exchange Offer section of this exchange offer/prospectus beginning on page 115 and the related form of letter of transmittal.

THE U.S. OFFER AND WITHDRAWAL RIGHTS FOR TENDERS OF ALCATEL LUCENT SHARES AND OCEANEs IN THE U.S. OFFER WILL EXPIRE AT 11:00 A.M., NEW YORK CITY TIME (5:00 P.M. PARIS TIME), ON DECEMBER 22, 2015 (AS SUCH TIME AND DATE MAY BE EXTENDED, THE EXPIRATION DATE), UNLESS THE EXCHANGE OFFER IS EXTENDED.

THE DEADLINE FOR VALIDLY TENDERING AND WITHDRAWING ALCATEL LUCENT ADSs IN THE U.S. OFFER IS 5:00 P.M., NEW YORK CITY TIME ON THE U.S. BUSINESS DAY IMMEDIATELY PRECEDING THE EXPIRATION DATE, WHICH WILL BE DECEMBER 21, 2015 (AS SUCH TIME AND DATE MAY BE EXTENDED, THE ADS TENDER DEADLINE), UNLESS THE U.S. OFFER IS EXTENDED.

Nokia Shares are traded on NASDAQ OMX Helsinki Ltd. (the Nasdaq Helsinki) under the symbol NOKIA and Nokia ADSs are traded on the New York Stock Exchange (the NYSE) under the symbol NOK. On November 10, 2015, the most recent practicable trading day before the opening of the Exchange Offer, the closing price of Nokia Shares listed on the Nasdaq Helsinki was EUR (equivalent to USD based on the USD/EUR exchange rate on such date) and the closing price of Nokia ADSs on the NYSE was USD .

Nokia has applied for the Nokia Shares (including the Nokia Shares to be issued in connection with the Exchange Offer) to be listed on Euronext Paris (the Admission). Nokia expects to request that Admission be approved to take effect prior to the Completion of the Exchange Offer. In addition, Nokia will apply for listing of the Nokia Shares and Nokia ADSs to be issued in connection with the Exchange Offer on the Nasdaq Helsinki and the NYSE, respectively.

Alcatel Lucent Shares are traded on Euronext Paris under the symbol ALU and Alcatel Lucent ADSs are traded on the NYSE under the symbol ALU. OCEANEs are traded on Euronext Paris, under the symbol YALU for the 2018 OCEANEs, YALU1 for the 2019 OCEANEs and YALU2 for the 2020 OCEANEs. On November 10, 2015, the closing price of Alcatel Lucent Shares on Euronext Paris was EUR (equivalent to USD based on the USD/EUR exchange rate on such date) and the closing price of Alcatel Lucent ADSs on the NYSE was USD and the latest reasonably available quotations for the OCEANEs was EUR (equivalent to USD) for the 2018 OCEANEs, EUR (equivalent to USD) for the 2019 OCEANEs and EUR (equivalent to USD) for the 2020 OCEANEs. As promptly as practicable following Completion of the Exchange Offer and subject to applicable law and Euronext Paris rules, Nokia intends to request Euronext Paris to delist the Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris. As promptly as practicable following Completion of the Exchange Offer, Nokia also intends to cause Alcatel Lucent to terminate the deposit agreement in respect of the Alcatel Lucent ADSs (the Alcatel Lucent deposit agreement), to seek to delist the Alcatel Lucent ADSs from the NYSE and, subject to applicable law, to deregister the Alcatel Lucent Shares and Alcatel Lucent ADSs and terminate the reporting obligations of Alcatel Lucent under the Exchange Act.

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SEE THE RISK FACTORS SECTION OF THIS EXCHANGE OFFER/PROSPECTUS BEGINNING ON PAGE 25 FOR A DISCUSSION OF IMPORTANT RISK FACTORS THAT YOU SHOULD CONSIDER BEFORE DECIDING WHETHER OR NOT TO TENDER YOUR ALCATEL LUCENT SECURITIES INTO THE U.S. OFFER.

Nokia has not authorized any person to provide any information or to make any representation in connection with the U.S. Offer other than the information contained or incorporated by reference in this exchange offer/prospectus, and if any person provides any of this information or makes any representation of this kind, that information or representation must not be relied upon as having been authorized by Nokia.

Nokia is not asking you for a proxy pursuant to this exchange offer/prospectus and you are requested not to send to Nokia a proxy in response hereto.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the securities to be issued in the transactions described in this exchange offer/prospectus or passed upon the adequacy or accuracy of this exchange offer/prospectus. Any representation to the contrary is a criminal offense.

The date of this exchange offer/prospectus is , 2015.

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CERTAIN DEFINED TERMS

Unless otherwise specified or if the context so requires in this exchange offer/prospectus:

Admission refers to Nokia s application for the Nokia Shares (including the Nokia Shares to be issued in connection with the Exchange Offer) to be listed on Euronext Paris.

ADS Tender Deadline refers to the deadline for validly tendering and withdrawing Alcatel Lucent ADSs in the U.S. Offer, set for 5:00 P.M., New York City time on the U.S. business day immediately preceding the Expiration Date, which will be December 21, 2015 (as such time and date may be extended).

Alcatel Lucent refers to Alcatel Lucent, a French *société anonyme*.

Alcatel Lucent ADSs refer to American depositary shares each representing one Alcatel Lucent Share.

Alcatel Lucent 2014 Form 20-F refers to Alcatel Lucent s Annual Report on Form 20-F for the year ended December 31, 2014 filed with the SEC on March 24, 2015.

Alcatel Lucent Securities refer to the Alcatel Lucent Shares, the Alcatel Lucent ADSs and the OCEANEs.

Alcatel Lucent Shares refer to ordinary shares, nominal value EUR 0.05 per share of Alcatel Lucent.

Alcatel Lucent Stock Options refer to options to acquire Alcatel Lucent Shares.

Alcatel Lucent Performance Shares refer to restricted stock granted by Alcatel Lucent.

AMF refers to the French stock market authority (*Autorité des marchés financiers*).

AMF General Regulation refers to Article 236-3 of the General Regulation (*Règlement général*) published by the AMF.

ATOP System refers to the automated tender system of DTC.

Completion of the Exchange Offer, **completion of the U.S. Offer**, **completion of the French Offer** or **completion of the subsequent offering period** refer to settlement and delivery of the Nokia Shares to the holders of Alcatel Lucent Securities in accordance with the terms of the Exchange Offer and Conditions after announcement of the successful results of the French Offer by the AMF (taking into account the results of the U.S. Offer) or the results of the subsequent offering period, as applicable.

Conditions refer collectively to the Minimum Tender Condition and the Nokia Shareholder Approval.

Convertible Bond refers to Nokia s EUR 750 million convertible bond issued in October 2012 and maturing in 2017.

DTC refers to The Depository Trust Company, the U.S. clearing and settlement system for equity securities.

Exchange Offer refers collectively to the U.S. Offer and the French Offer.

Expiration Date refers to the expiration date of the the U.S. Offer and withdrawal rights for tenders of Alcatel Lucent Shares and OCEANEs in the U.S. Offer, set for 11:00 A.M., New York City time (5:00 P.M. Paris time), on December 22, 2015 (as such time and date may be extended).

French business day refers to any day, other than a Saturday, Sunday or French public holiday.

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French Offer refers to Nokia s exchange offer in France to exchange 0.5500 Nokia Share for every Alcatel Lucent Share, 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE and 0.7040 Nokia Share for every 2020 OCEANE, made pursuant to separate French Offer Documentation.

French trading day refers to any day on which Euronext Paris is generally open for business.

French Offer Documentation refers to the French Offer documentation filed with the AMF by Nokia.

IFRS refers to the International Financial Reporting Standards as issued by the International Accounting Standards Board.

Mandatory Minimum Acceptance Threshold refers to a number of Alcatel Lucent Shares representing more than 50% of the Alcatel Lucent share capital or voting rights, taking into account, if necessary, the Alcatel Lucent Shares resulting from the conversion of the OCEANEs validly tendered into the Exchange Offer. Refer to The Exchange Offer Terms of the Exchange Offer Conditions to the Exchange Offer for a description of how the Mandatory Minimum Acceptance Threshold is calculated.

Memorandum of Understanding refers to the Memorandum of Understanding dated April 15, 2015, as amended on October 28, 2015, between Nokia and Alcatel Lucent.

Minimum Tender Condition refers to the number of Alcatel Lucent Securities validly tendered in accordance with the terms of the Exchange Offer representing, on the date of announcement by the AMF of the results of the French Offer taking into account the results of the U.S. Offer, more than 50% of the Alcatel Lucent Shares on a fully diluted basis.

MoU Business Day refers to any day on which banking institutions are open for regular business in Finland, France and the United States which is not a Saturday, a Sunday or a public holiday.

Nasdaq Helsinki refers to NASDAQ OMX Helsinki Ltd.

Nokia, the **company**, **we**, **us** or **our** refers to Nokia Corporation, a Finnish corporation.

Nokia ADSs refer to American depositary shares each representing one Nokia Share.

Nokia depositary refers to Citibank, N.A., the depositary for the Nokia ADSs pursuant to a deposit agreement.

Nokia 2014 Form 20-F refers to Nokia s Annual Report on Form 20-F for the year ended December 31, 2014 filed with the SEC on March 19, 2015.

Nokia Shareholder Approval refers to Nokia shareholders having approved the authorization for the Nokia board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for the Alcatel Lucent Securities tendered into the Exchange Offer and for the Completion of the Exchange Offer.

Nokia Shares refer to shares of Nokia Corporation.

NYSE refers to the New York Stock Exchange.

2018 OCEANEs refer to EUR 628 946 424.00 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on July 1, 2018.

2019 OCEANEs refer to EUR 688 425 000.00 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on January 30, 2019.

2020 OCEANEs refer to EUR 460 289 979.90 Alcatel Lucent bonds convertible into new Alcatel Lucent Shares or exchangeable for existing Alcatel Lucent Shares due on January 30, 2020.

OCEANEs refer to the 2018 OCEANEs, the 2019 OCEANEs and the 2020 OCEANEs.

Schedule TO refers to the tender offer statement on Schedule TO.

U.S. business day refers to any day, other than a Saturday, Sunday or U.S. federal holiday or a day on which banking institutions are required or authorized by law or executive order to be closed in New York, New York.

U.S. exchange agent refers to Citibank, N.A.

U.S. Offer refers to the exchange offer to be made in the United States.

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Nokia Shares are listed and traded on the Nasdaq Helsinki and Nokia ADSs are listed and traded on the NYSE and are registered under the Exchange Act. Alcatel Lucent Shares and OCEANEs are listed and traded on Euronext Paris and Alcatel Lucent ADSs are listed and traded on the NYSE and are registered under the Exchange Act. Accordingly, the Exchange Offer, insofar as it relates to the Alcatel Lucent Shares, OCEANEs and Alcatel Lucent ADSs, and the related issuance of Nokia Shares are subject to the rules and regulations of the United States, France and Finland. Some of the information contained in this exchange offer/prospectus is included because it is required to be included in the French Offer Documentation or in the Finnish prospectus. Some of that information has been prepared in accordance with French or Finnish format and style, which differs from the U.S. format and style for documents of this type.

This exchange offer/prospectus incorporates by reference important business and financial information about Nokia and Alcatel Lucent that is contained in their respective filings with the SEC but which is not included in, or delivered with, this exchange offer/prospectus. This information is available on the SEC s website at *www.sec.gov* and from other sources. For more information about how to obtain copies of these documents, see the Where You Can Find More Information section of this exchange offer/prospectus. Nokia will also make copies of this information available to you without charge upon your written or oral request to Georgeson Inc. at (800) 314-4549. **In order to receive timely delivery of these documents, holders of Alcatel Lucent Shares and OCEANEs must make such a request no later than five U.S. business days before the then-scheduled Expiration Date and holders of Alcatel Lucent ADSs must make such a request no later than five U.S. business days before the then-scheduled ADS Tender Deadline. The Expiration Date is currently December 22, 2015 and the ADS Tender Deadline is currently December 21, 2015 but the actual deadlines will be different if the U.S. Offer is extended.**

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QUESTIONS AND ANSWERS ABOUT THE EXCHANGE OFFER

Below are some of the questions that you as a holder of Alcatel Lucent Securities may have regarding the Exchange Offer and answers to those questions. The answers to these questions do not contain all information relevant to your decision whether to tender your Alcatel Lucent Securities. To better understand the Exchange Offer, Nokia (also referred to as we, us, or our) urges you to read carefully the remainder of this exchange offer/prospectus and the accompanying letter of transmittal.

Why am I receiving this exchange offer/prospectus?

Nokia, a Finnish corporation, is offering, upon the terms and subject to the Conditions set forth in this exchange offer/prospectus and the French Offer Documentation, to acquire all of the Alcatel Lucent Securities through the Exchange Offer whereby Alcatel Lucent Securities will be exchanged for Nokia Shares or Nokia ADSs, as described below. The Exchange Offer is comprised of the U.S. Offer and the French Offer. The U.S. Offer is being made pursuant to this exchange offer/prospectus to all U.S. holders of outstanding Alcatel Lucent Shares, all U.S. holders of outstanding OCEANEs and all holders of outstanding Alcatel Lucent ADSs, wherever located. Holders of Alcatel Lucent ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer. Holders of Alcatel Lucent Securities who are restricted from participating in the U.S. Offer pursuant to the Sanctions may not participate in the U.S. Offer.

What is the purpose of the Exchange Offer?

The purpose of the Exchange Offer is for Nokia to acquire all of the Alcatel Lucent Securities in order to combine the businesses of Nokia and Alcatel Lucent.

What will I receive if the Exchange Offer is completed?

Following the Completion of the Exchange Offer, you will receive:

- 0.5500 Nokia Share for every Alcatel Lucent Share you validly tender into, and do not withdraw from, the U.S. Offer,

- 0.5500 Nokia ADS for every Alcatel Lucent ADS you validly tender into, and do not withdraw from, the U.S. Offer, and

- 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE and 0.7040 Nokia Share for every 2020 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer.

The French Offer comprises an offer to exchange 0.5500 Nokia Share for every Alcatel Lucent Share, 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE and 0.7040 Nokia Share for every 2020 OCEANE, made pursuant to separate French Offer Documentation available to holders of Alcatel Lucent Shares and OCEANEs located in France (holders of Alcatel Lucent Shares and OCEANEs located outside of France may not participate in the French Offer except if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the French Offer).

No fractional Nokia Shares or fractional Nokia ADSs will be issued. Holders of Alcatel Lucent Securities tendering into the U.S. Offer or the French Offer will receive cash in lieu of any fractional Nokia Shares or Nokia ADSs to which such holders may otherwise be entitled, following the implementation of a mechanism to resell such fractional Nokia Shares or Nokia ADSs.

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What options are available to the holders of the OCEANEs in connection with the Exchange Offer?

In connection with the Exchange Offer, holders of the OCEANEs may elect to take any of the following steps with respect to their OCEANEs:

Tender the OCEANEs into the Exchange Offer. The Exchange Offer is being made to all holders of the OCEANEs issued and outstanding and such holders may accept the Exchange Offer by tendering their OCEANEs into the U.S. Offer or the French Offer, as applicable. For every 2018 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.6930 Nokia Share, for every 2019 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share and for every 2020 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share.

Convert the OCEANEs into or exchange the OCEANEs for Alcatel Lucent Shares at the change of control conversion/exchange ratio. Prior to the opening of the Exchange Offer the conversion/exchange ratio was 1.06 Alcatel Lucent Share for every 2018 OCEANE, 1.00 Alcatel Lucent Share for every 2019 OCEANE and 1.00 Alcatel Lucent Share for every 2020 OCEANE. The opening of the Exchange Offer has resulted in a temporary adjustment to the conversion/exchange ratios applicable to each series of OCEANEs. The adjusted conversion/exchange ratios resulting from the Exchange Offer are 1.26 Alcatel Lucent Shares for every 2018 OCEANE, 1.28 Alcatel Lucent Share for every 2019 OCEANE and 1.28 Alcatel Lucent Share for every 2020 OCEANE. The right of OCEANEs holders to obtain Alcatel Lucent Shares on the basis of the adjusted conversion/exchange ratios will expire, (x) if the AMF declares that the French Offer is successful, on the date that is 15 French business days after the publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer), which is currently expected to be four to five and in no event later than nine French trading days following the Expiration Date, or, if there is a subsequent offering period, the date that is 15 French business days after the end of the subsequent offering period of the French Offer; (y) if the AMF declares that the French Offer (taking into account the results of the U.S. Offer) is unsuccessful, the date of publication by the AMF of the result of the French Offer; or (z) if Nokia withdraws the Exchange Offer, the date on which such withdrawal is published. If the holders of the OCEANEs choose to convert their OCEANEs into or exchange their OCEANEs for Alcatel Lucent Shares, they may then be able to tender such Alcatel Lucent Shares into the Exchange Offer in accordance with its terms and Conditions.

After the Completion of the Exchange Offer, request an early redemption of their OCEANEs. If the Exchange Offer is successful (resulting in a change of control of Alcatel Lucent under the terms of the OCEANEs), each holder of the OCEANEs who did not tender their OCEANEs into the Exchange Offer may request that Alcatel Lucent redeem their OCEANEs for cash at par plus, as applicable, accrued interest from the last interest payment date for each series of the OCEANEs until the early redemption date.

Early redemption decided by the general meeting of the holders of any series of OCEANEs. In the event the Alcatel Lucent Shares cease to be listed on Euronext Paris and are not listed on any other regulated market within the European Union within the meaning of the European Union Directive 2004/39/EC, and the Alcatel Lucent ADSs or the Alcatel Lucent Shares cease to be listed on a regulated market in the United States, the representative of the body for each type of OCEANE (*le représentant de la masse)* may, upon decision of the general meeting of the holders of such OCEANEs, other than Nokia if it holds more than 10% of the relevant series of OCEANEs, make all of such OCEANEs redeemable by Alcatel Lucent at a price in cash equal to par plus, as applicable, accrued interest from the last interest payment date for each of the OCEANEs until the early redemption date.

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In addition to the foregoing and in accordance with the terms of the OCEANEs, if the Exchange Offer is successful and subject to applicable law, Nokia reserves the right to cause Alcatel Lucent to redeem for cash at par value plus, as applicable, accrued interest, any series of the OCEANEs if less than 15% of the issued OCEANEs of any such series remain outstanding at any time.

Holders of OCEANEs that remain outstanding after the events described above will remain creditors of Alcatel Lucent with the ability to convert their OCEANEs into or exchange their OCEANEs for Alcatel Lucent Shares at the then applicable conversion/exchange ratio.

Holders of the 2018 OCEANEs who do not convert their 2018 OCEANEs into Alcatel Lucent Shares prior to December 31, 2015, the record date for the next interest payment with respect to the 2018 OCEANEs, are expected to be eligible to receive such interest payment on January 4, 2016, whether or not they tender their 2018 OCEANEs into the Exchange Offer.

As promptly as possible following Completion of the Exchange Offer and subject to applicable law and stock exchange rules, Nokia intends to request Euronext Paris to delist Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris and seek to delist Alcatel Lucent ADSs from the NYSE.

For the avoidance of doubt, Nokia does not intend to arrange for any of the OCEANEs to become convertible into Nokia convertible bonds whether as a part of the Exchange Offer or otherwise.

If OCEANEs are converted into or exchanged for Alcatel Lucent Shares during the Exchange Offer and the Exchange Offer is unsuccessful, will former holders of OCEANEs have to surrender their Alcatel Lucent Shares?

No. After conversion/exchange has taken place, the OCEANEs are no longer outstanding and the relevant Alcatel Lucent Shares will not have to be surrendered if the Exchange Offer is not successful.

Can holders of Alcatel Lucent Stock Options and Performance Shares participate in the Exchange Offer?

Holders of options to acquire Alcatel Lucent Shares who wish to tender into the Exchange Offer or the subsequent offering period, if any, must exercise their Alcatel Lucent Stock Options, and Alcatel Lucent Shares must be issued to such holders prior to the Expiration Date or the expiration of the subsequent offering period, as applicable.

Pursuant to the Memorandum of Understanding, Alcatel Lucent agreed to accelerate or waive certain terms of the Alcatel Lucent Stock Options, subject to certain conditions.

Alcatel Lucent Performance Shares granted by Alcatel Lucent cannot be tendered in the Exchange Offer or the subsequent offering period, if any, unless such Alcatel Lucent Performance Shares have vested and are transferable prior to the Expiration Date or the expiration of the subsequent offering period, as applicable.

Pursuant to the Memorandum of Understanding, Nokia and Alcatel Lucent agreed to implement a mechanism with respect to unvested Performance Shares granted before April 15, 2015 pursuant to which the beneficiaries may waive their rights to receive Performance Shares in exchange for Alcatel Lucent Shares, subject to certain conditions.

What percentage of Nokia will holders of Alcatel Lucent Securities own after the Exchange Offer?

After Completion of the Exchange Offer and assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any, former holders of Alcatel Lucent

Securities are expected to own approximately 33.5% of the issued and outstanding Nokia Shares on a fully diluted basis (based on the number of shares outstanding on December 31, 2014).

What are the benefits of a combination of Nokia and Alcatel Lucent?

We believe that the combination of Nokia s and Alcatel Lucent s businesses will create significant value for stakeholders of both companies. Following the Completion of the Exchange Offer, Nokia will be well-positioned to create the foundation of seamless connectivity for people and things wherever they are. We believe that this foundation is essential for enabling the next wave of technological change, including the internet of things and transition to the cloud.

The strategic rationale for combining the two companies includes:

- creation of end-to-end portfolio scope and scale player with leading global positions across products, software and services to meet changing industry paradigms;
- complementary offerings, customers and geographic footprint;
- enhanced research and development capabilities creating an innovation powerhouse with significant combined R&D resources;
- the recent execution track-record on both sides and common vision for the future;
- the opportunity to realize significant cost savings and other synergies; and
- the development of a robust capital structure and strong balance sheet.

Does Alcatel Lucent support the Exchange Offer?

Yes. At their meeting of October 28, 2015 and as a result of the matters described in the section entitled The Transaction Reasons for the Alcatel Lucent Board of Directors Approval of the Transaction , the participating members of the Alcatel Lucent board of directors, taking into account the factors described in that section, unanimously:

(i) determined that the Exchange Offer is in the best interest of Alcatel Lucent, its employees and its stakeholders (including the holders of the Alcatel Lucent Shares and holders of other Alcatel Lucent Securities);

(ii) recommended that all holders of Alcatel Lucent Shares and holders of Alcatel Lucent ADSs tender their Alcatel Lucent Shares and/or their Alcatel Lucent ADSs pursuant to the Exchange Offer; and

(iii) recommended that all holders of OCEANEs tender their OCEANEs pursuant to the Exchange Offer.

What is the market value of my Alcatel Lucent Securities as of a recent date?

On November 10, 2015, the most recent practicable trading day before the opening of the Exchange Offer, the closing price of an Alcatel Lucent Share on Euronext Paris was EUR , the closing price of an Alcatel Lucent ADS on the NYSE was USD , the last reasonably available quotation of a 2018 OCEANE on Euronext Paris was EUR , the last reasonably available quotation of a 2019 OCEANE on Euronext Paris was EUR and the last reasonably available quotation of a 2020 OCEANE on Euronext Paris was EUR . Please obtain a recent quotation for your Alcatel Lucent Securities prior to deciding whether or not to tender.

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What is the expected governance structure of the combined company?

It is proposed that following the Completion of the Exchange Offer, Nokia s corporate governance structure will include the following:

- Chairman of the board of directors: Risto Siilasmaa;
- President and Chief Executive Officer: Rajeev Suri;
- Nokia s board of directors having ten members, including Louis R. Hughes, Jean C. Monty and Olivier Piou, who have been nominated jointly by the Corporate Governance & Nomination committee of the Nokia board of directors and by Alcatel Lucent. If elected, Olivier Piou is expected to serve as Vice Chairman of Nokia; and
- Leadership team built on strengths of both Nokia and Alcatel Lucent.

Appointment of members of the Nokia board of directors is subject to approval by Nokia shareholders.

What are the Conditions to the U.S. Offer?

Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into the U.S. Offer is subject only to:

- the Minimum Tender Condition; and
- the Nokia Shareholder Approval.

Subject to applicable SEC and AMF rules and regulations, Nokia reserves the right, in its sole discretion, to waive the Minimum Tender Condition to any level at or above the Mandatory Minimum Acceptance Threshold.

How does the Nokia shareholders vote impact the deal?

Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into the Exchange Offer will be subject to, among other Conditions, the Nokia Shareholder Approval.

Nokia s extraordinary general meeting of shareholders has been convened for December 2, 2015 to consider and vote on the resolution contemplated by the Nokia Shareholder Approval. Proxy materials for such meeting were separately distributed by Nokia prior to the date of this exchange offer/prospectus. The resolution must be approved by shareholders representing at least two-thirds of the votes cast and Nokia Shares represented at such extraordinary general meeting of Nokia s shareholders.

What happens if less than 100% of Alcatel Lucent Securities have been purchased following the Completion of the Exchange Offer or the subsequent offering period, if any?

If, at the Completion of the Exchange Offer or the subsequent offering period, if any, Nokia owns 95% or more of the share capital and voting rights of Alcatel Lucent (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining outstanding Alcatel Lucent Shares for cash consideration. In addition, if, at the Completion of the Exchange Offer or the subsequent offering period, if any, Nokia owns 95% or more of the sum of the outstanding Alcatel Lucent Shares and the Alcatel Lucent Shares issuable upon conversion of all of the OCEANEs then outstanding (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining OCEANEs for cash consideration.

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In accordance with French law and the AMF General Regulation, in such a squeeze-out, Nokia intends, prior to the implementation of the squeeze-out for cash consideration, to propose to the holders of Alcatel Lucent Securities as an alternative to cash consideration, an option to exchange their Alcatel Lucent Securities for Nokia Shares and/or Nokia ADSs, as applicable, at the same exchange ratios offered in the context of the Exchange Offer (the Exchange Option). The holders of Alcatel Lucent Securities may opt for the Exchange Option for all or part of their Alcatel Lucent Securities within a time period to be determined at a later date. The Alcatel Lucent Securities not tendered into the Exchange option will be subject to the squeeze-out for cash consideration.

If Nokia owns less than 95% of the share capital and voting rights of Alcatel Lucent immediately after the Completion of the subsequent offering period, then Nokia reserves the right, subject to applicable law, to (i) commence a buy-out offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to the AMF General Regulation if at any time thereafter it owns 95% or more of the voting rights of Alcatel Lucent; (ii) commence at any time a simplified offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 233-1 et seq. of the AMF General Regulation; (iii) purchase Alcatel Lucent Securities on the market; (iv) cause Alcatel Lucent to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent; or (v) take any other steps to consolidate its ownership of Alcatel Lucent. We do not currently intend to structure any of the foregoing steps so that it would result in the OCEANEs becoming convertible bonds of Nokia Corporation, becoming debt obligations of Nokia Corporation or otherwise convertible into Nokia Shares or Nokia ADSs.

In addition, Nokia reserves the right, subject to applicable law, at any time after the Completion of the Exchange Offer or the subsequent offering period, as applicable, to cause Alcatel Lucent to redeem at par value, plus, as applicable, accrued interest from the date the interest was last paid, to the date set for the early redemption all of the outstanding 2018 OCEANEs, 2019 OCEANEs or 2020 OCEANEs, if less than 15% of the issued OCEANEs of any such series remain outstanding.

Why is there a separate French Offer?

As Alcatel Lucent is a French *société anonyme* with a listing on Euronext Paris, a French Offer is required pursuant to French laws and regulations and is being conducted in accordance with French law and the AMF General Regulation.

What are the differences between the U.S. Offer and the French Offer?

The financial conditions of the U.S. Offer and the French Offer are the same. As a result of differences in law and market practice between the United States and France, however, the procedures for accepting the Exchange Offer and tendering Alcatel Lucent Securities, and some of the rights of tendering holders of Alcatel Lucent Securities, under the U.S. Offer and the French Offer, are not identical. The primary difference between the U.S. Offer and the French Offer is that the U.S. Offer is available to U.S. holders of Alcatel Lucent Shares and OCEANEs and to holders of Alcatel Lucent ADSs, wherever located, while the French Offer is available to holders of Alcatel Lucent Shares and OCEANEs located in France (holders of Alcatel Lucent Shares and OCEANEs located outside of France may not participate in the French Offer except if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the French Offer). Holders of Alcatel Lucent ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer. Holders of Alcatel Lucent Securities who are restricted from participating in the U.S. Offer pursuant to the Sanctions may not participate in the U.S. Offer.

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How do I validly tender my Alcatel Lucent ADSs into the U.S. Offer?

The steps you must take to validly tender your Alcatel Lucent ADSs will depend on whether you hold your Alcatel Lucent ADSs directly or indirectly through a broker, dealer, commercial bank, trust company or other nominee.

- If you hold Alcatel Lucent ADSs directly and would like to tender them into the Exchange Offer, you must tender them to the U.S. exchange agent prior to the ADS Tender Deadline, which is 5:00 P.M., New York time, on the U.S. business day immediately preceding the Expiration Date, which is December 21, 2015, unless the U.S. Offer is extended. In order to validly tender your directly-held Alcatel Lucent ADSs, you must take the following actions:

  - if you hold your Alcatel Lucent ADSs in certificated form, you must complete and sign the letter of transmittal included with this exchange offer/prospectus and return it together with your Alcatel Lucent ADS certificates and any required documentation to the U.S. exchange agent at the appropriate address specified on the back cover page of this exchange offer/prospectus;

  - if you hold your Alcatel Lucent ADSs in uncertificated form on the register of the Alcatel Lucent depositary (in direct registration form), you must complete and sign the letter of transmittal included with this exchange offer/prospectus and return it with any required documentation to the U.S. exchange agent at the appropriate address specified on the back cover page of this exchange offer/prospectus; and

  - if you hold your Alcatel Lucent ADSs in book-entry form indirectly through DTC, you must tender your Alcatel Lucent ADSs to the U.S. exchange agent by using the ATOP system.

- If you hold your Alcatel Lucent ADSs indirectly through a broker, dealer, commercial bank, trust company or other nominee, you should not complete and sign the letter of transmittal included with this exchange offer/prospectus. Instead, you should instruct your broker, dealer, commercial bank, trust company or other nominee to validly tender your Alcatel Lucent ADSs to the U.S. exchange agent on your behalf.

The U.S. exchange agent has established an additional means for registered holders of uncertificated Alcatel Lucent ADSs to complete and deliver letters of transmittal via the internet, by signing onto a secure website established and maintained by the U.S. exchange agent and filling in the applicable information online. Detailed instructions for completing and delivering the letter of transmittal via the internet (including the applicable password) are set forth in the letter of transmittal being delivered to holders of uncertificated Alcatel Lucent ADSs together with this exchange offer/prospectus.

If your Alcatel Lucent ADSs are not immediately available, you may also follow the guaranteed delivery procedures described in this exchange offer/prospectus.

How do I validly tender my Alcatel Lucent Shares or OCEANEs into the U.S. Offer?

You do not need to complete a letter of transmittal to tender your Alcatel Lucent Shares or OCEANEs into the U.S. Offer.

If you hold Alcatel Lucent Shares or OCEANEs through a custodian that is not a French financial intermediary, your custodian should either forward to you the transmittal materials and instructions sent by the French financial intermediary that holds the Alcatel Lucent Shares or OCEANEs on behalf of the custodian as record owner or send you a separate form prepared by the custodian. If you have not yet received instructions from your custodian, please contact your custodian directly.

If you hold Alcatel Lucent Shares or OCEANEs through a French financial intermediary, your French financial intermediary should send you transmittal materials and instructions for accepting the U.S. Offer before the last day of the offer. If you have not yet received instructions from your French financial intermediary, please contact your French financial intermediary directly.

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If your Alcatel Lucent Shares or OCEANEs are held in pure registered form (*nominatif pur*), you must first request that your Alcatel Lucent Shares or OCEANEs be converted to administered registered form (*nominatif administré*) or to bearer form (*au porteur*).

How much time do I have to decide whether to tender?

You may tender your Alcatel Lucent Shares and OCEANEs into the U.S. Offer at any time prior to the Expiration Date (which is currently 11:00 A.M., New York City time (5:00 P.M. Paris time), on December 22, 2015, but will change if the U.S. Offer is extended). You may tender your Alcatel Lucent ADSs into the U.S. Offer at any time prior to the ADS Tender Deadline (which is currently 5:00 P.M., New York City time, on the U.S. business day immediately preceding the Expiration Date, which is currently December 21, 2015, unless the U.S. Offer is extended).

Can the Exchange Offer be extended?

Yes. Subject to the applicable rules and regulations of the AMF and the SEC, the Expiration Date and the ADS Tender Deadline may be extended.

Only the AMF has the authority to set or to extend the expiration date of the French Offer. If the French Offer is extended, the AMF will issue a notice of extension on its website *http://www.amf-france.org*. In addition, Nokia will post a notice of any extension of the French Offer or the U.S. Offer on its website *www.nokia.com*, and will issue a public announcement. The information on Nokia s or the AMF s website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

Pursuant to the Memorandum of Understanding, Nokia agreed to ensure that, subject to applicable law, the period during which the U.S. Offer is open corresponds to the period during which the French Offer is open (including any extensions or subsequent offering periods in relation to the French Offer), and Nokia expressly reserves the right to extend the U.S. Offer either to match any extension of the French Offer or otherwise. Furthermore, Nokia may be required by the U.S. federal securities laws (including Rule 14e-1 under the Exchange Act) to extend the duration of the U.S. Offer if Nokia makes a material change to the terms of the U.S. Offer.

Will there be a subsequent offering period?

Pursuant to the Memorandum of Understanding and according to the AMF General Regulation, (i) if at the Completion of the Exchange Offer, Nokia owns 95% or more of the share capital and voting rights of Alcatel Lucent (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia may open the subsequent offering period within ten French trading days of the announcement by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer), unless Nokia files the request for a squeeze-out with the AMF within ten French trading days of the announcement by the AMF; or (ii) if at the Completion of the Exchange Offer Nokia owns more than 50% but less than 95% of Alcatel Lucent share capital and voting rights, Nokia agreed to conduct a subsequent offering period after the date of announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer) (subject to the satisfaction or waiver of the Minimum Tender Condition and the receipt of the Nokia Shareholder Approval). The subsequent offering period would be conducted on the same terms as the Exchange Offer, but the Alcatel Lucent Securities properly tendered during the subsequent offering period will not be permitted to be withdrawn and will be accepted without any minimum condition.

Can I withdraw Alcatel Lucent Securities that I have tendered into the U.S. Offer?

Yes. You may withdraw any Alcatel Lucent Shares and OCEANEs tendered into the U.S. Offer at any time prior to the Expiration Date, and you may withdraw any Alcatel Lucent ADSs tendered into the U.S. Offer at any time prior to the ADS Tender Deadline. In addition, in accordance with U.S. securities laws, you may generally withdraw your tendered Alcatel Lucent Securities tendered into the U.S. Offer if they have not been accepted for exchange within 60 days after the beginning of the offer period. However, these withdrawal rights will not be available following the Expiration Date, in the case of Alcatel Lucent Shares and OCEANEs, or the ADS Tender Deadline, in the case of Alcatel Lucent ADSs, and prior to the commencement of the subsequent offering period, if any. Also, subject to satisfaction of all Conditions other than the Minimum Tender Condition, these withdrawal rights will not be available during the period that the securities tendered into the Exchange Offer are being counted. Pursuant to Rule 14d-7(a)(2) under the Exchange Act, no withdrawal rights will apply to Alcatel Lucent Securities tendered during a subsequent offering period, if any.

How do I withdraw Alcatel Lucent Securities previously tendered into the U.S. Offer?

To withdraw previously tendered Alcatel Lucent ADSs, the U.S. exchange agent must receive a timely written or facsimile transmission notice of withdrawal. Any such notice must specify the name of the person who tendered the Alcatel Lucent ADSs being withdrawn, the number of Alcatel Lucent ADSs being withdrawn and the name of the registered holder if different from that of the person who tendered such Alcatel Lucent ADSs. To withdraw previously tendered Alcatel Lucent Shares or OCEANEs, you should contact your French or non-French financial intermediary or nominee through whom you tendered the Alcatel Lucent Shares or OCEANEs regarding their withdrawal procedures to validly withdraw tendered Alcatel Lucent Shares or OCEANEs in the U.S. Offer.

Will I have to pay any fees or commissions for tendering my Alcatel Lucent Securities?

If your Alcatel Lucent Securities are tendered into the U.S. Offer by your broker, dealer, commercial bank, trust company or other nominee, you will be responsible for any fees or commissions they may charge you in connection with such tender. No commission will be paid by Nokia to any intermediary of Alcatel Lucent Security holders or any person soliciting the contribution of Alcatel Lucent Securities into the Exchange Offer.

You will also be responsible for all governmental charges and taxes payable in connection with tendering your Alcatel Lucent Securities.

Will tendered Alcatel Lucent Securities be subject to proration?

No. Subject to the terms and Conditions, Nokia will acquire any and all Alcatel Lucent Securities validly tendered into, and not withdrawn from, the U.S. Offer.

Can I tender less than all the Alcatel Lucent Securities that I own into the Exchange Offer?

Yes. You may elect to tender all or a portion of the Alcatel Lucent Securities that you own into the U.S. Offer.

If I decide not to tender, how will the Exchange Offer affect my Alcatel Lucent Securities?

The Completion of the Exchange Offer is conditioned, among other things, upon the satisfaction or waiver of the Minimum Tender Condition.

If the Exchange Offer is successful, the acquisition by Nokia of Alcatel Lucent Securities in the Exchange Offer will reduce the number of Alcatel Lucent Securities that might otherwise trade publicly and may reduce the number of holders of Alcatel Lucent Securities, which could adversely affect the liquidity and market value of the Alcatel Lucent Securities not acquired in the Exchange Offer.

On opening of the first U.S. business day following the ADS Tender Deadline, the NYSE may suspend trading in the Alcatel Lucent ADSs pending public announcement of the results of the Exchange Offer.

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Because the AMF may not announce the results of the French Offer (taking into account the results of the U.S. Offer) until up to nine French trading days after the Expiration Date (although we expect the announcement to be made approximately four to five French trading days after the Expiration Date), holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the U.S. Offer may be unable to trade Alcatel Lucent ADSs on the NYSE during this period. Further, if fewer than 600 000 Alcatel Lucent ADSs would remain outstanding following Completion of the Exchange Offer, the NYSE may not resume trading in the Alcatel Lucent ADSs even after the publication of the results of the Exchange Offer. Holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the Exchange Offer may therefore be unable to trade their Alcatel Lucent ADSs on the NYSE at any point following the Expiration Date.

As promptly as practicable following Completion of the Exchange Offer and subject to applicable law and Euronext Paris rules, Nokia intends to request Euronext Paris to delist the Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris. Nokia also intends to seek to delist the Alcatel Lucent ADSs from the NYSE and, subject to applicable law, to deregister the Alcatel Lucent Shares and Alcatel Lucent ADSs and terminate the reporting obligations of Alcatel Lucent under the Exchange Act.

Will I have appraisal rights in connection with the Exchange Offer?

No. There are no appraisal or similar rights available to holders of Alcatel Lucent Securities in connection with the Exchange Offer.

What are the tax consequences if I participate or do not participate in the Exchange Offer?

For information on certain French, Finnish, and U.S. tax consequences of the Exchange Offer, see the Tax Considerations section of this exchange offer/prospectus. You should consult your own tax advisor on the tax consequences to you of tendering your Alcatel Lucent Securities in the Exchange Offer.

How and where will the outcome of the Exchange Offer be announced?

The AMF is expected to announce the results of the French Offer taking into account the results of the U.S. Offer approximately four to five and in any event no later than nine French trading days following the Expiration Date and, if applicable, the ending of the subsequent offering period. In addition, Nokia will post a notice of the results of the Exchange Offer on *www.nokia.com*, and will issue a public announcement. The information on Nokia s website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

When will I receive my Nokia Shares or Nokia ADSs?

You will receive the Nokia Shares or Nokia ADSs you are entitled to receive pursuant to the U.S. Offer approximately five French trading days following the announcement of the results of the French Offer (taking into account the results of the U.S. Offer) by the AMF and, if applicable, of the subsequent offering period. If the Exchange Offer expires and the Conditions are not satisfied or terminated in accordance with applicable law, the U.S. exchange agent will return tendered Alcatel Lucent ADSs to you within one U.S. business day after the expiration or termination of the U.S. Offer, and the tendered Alcatel Lucent Shares or OCEANEs will be returned to you within three U.S. business days after the expiration or termination of the U.S. Offer.

Who can I call with questions?

If you have more questions about the Exchange Offer, you should contact Nokia s information agent, Georgeson Inc., toll-free at (800) 314-4549.

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PRESENTATION OF INFORMATION

Currency and Exchange Rates

In this exchange offer/prospectus, all references to U.S. dollar, USD and $ are to the lawful currency of the United States. All references to euro, EUR and are to the official currency of the member states of the European Union (the EU) that adopted the single currency in accordance with the Treaty Establishing the European Economic Community (signed in Rome on March 25, 1957), as amended by the Treaty of European Union signed in Maastricht on February 7, 1992.

The following tables set forth, for the periods indicated, information concerning the exchange rates between the euro and the U.S. dollar based on the noon buying rate for cable transfers as certified by the Federal Reserve Board of New York. Such rates are provided solely for your convenience and are not necessarily the rates used by Alcatel Lucent or Nokia in the preparation of their financial statements or otherwise.

	Average ($)	High ($)	Low ($)	Period End ($)
Year ended December 31, 2010	1.3216	1.4536	1.1959	1.3269
Year ended December 31, 2011	1.4002	1.4875	1.2926	1.2973
Year ended December 31, 2012	1.2909	1.3463	1.2062	1.3186
Year ended December 31, 2013	1.3303	1.3816	1.2774	1.3779
Year ended December 31, 2014	1.3210	1.3927	1.2101	1.2101
Six months ended June 30, 2015	1.1090	1.2015	1.0524	1.1154

	High ($)	Low ($)
May 2015	1.1428	1.0876
June 2015	1.1404	1.0913
July 2015	1.1150	1.0848
August 2015	1.1580	1.0868
September 2015	1.1358	1.1104
October 2015	1.1437	1.0963
November 2015 (through November 10, 2015)		

Solely for convenience, this exchange offer/prospectus contains translations of certain euro balances into U.S. dollars at specified rates. These are simply translations, and you should not expect that a euro amount actually represents a stated U.S. dollar amount or that it could be converted into U.S. dollars at specified rates or at all.

Other Information

Within this exchange offer/prospectus, references to the Exchange Offer, the U.S. Offer or the French Offer refer to such offer without any subsequent offering period, unless stated otherwise.

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SUMMARY

This summary highlights selected information from this exchange offer/prospectus. It does not contain all the information that is important to you. Before you decide whether or not to tender your Alcatel Lucent Securities, you should read carefully this entire exchange offer/prospectus as well as the documents that are incorporated by reference into or filed as exhibits to the registration statement of which this exchange offer/prospectus forms a part. See the Where You Can Find More Information section of this exchange offer/prospectus.

The Companies

Nokia (page 181)

Nokia is a Finnish Corporation, established in 1865 and organized under the laws of the Republic of Finland. The company is registered with the Finnish Trade Register under the business identity code 0112038-9. Under its articles of association in effect on the date of this exchange offer/prospectus, Nokia s corporate purpose is to engage in the telecommunications industry and other sectors of the electronics industry as well as the related service businesses, including the development, manufacture, marketing and sales of mobile devices, other electronic products and telecommunications systems and equipment as well as related mobile, Internet and network infrastructure services and other consumer and enterprise services. Nokia may also create, acquire and license intellectual property and software as well as engage in other industrial and commercial operations. Further, Nokia may engage in securities trading and other investment activities.

Nokia is currently focused on three businesses: network infrastructure software, hardware and services, which is offered through Nokia Networks; mapping and location intelligence, which is provided through HERE; and advanced technology development and licensing, which is pursued through Nokia Technologies. Through its three businesses, Nokia has a global presence, with operations and research and development (R&D) facilities in Europe, North America and Asia, sales in approximately 140 countries, and employs approximately 62 000 people. Nokia is also a major investor in R&D, with expenditure through its three businesses exceeding EUR 2.5 billion in 2014.

On August 3, 2015, Nokia announced an agreement to sell its HERE digital mapping and location services business to a consortium of leading automotive companies, comprising AUDI AG, BMW Group and Daimler AG. The transaction values HERE at an enterprise value of EUR 2.8 billion with a normalized level of working capital and is expected to close in the first quarter of 2016, subject to customary closing conditions and regulatory approvals. Upon closing, Nokia estimates that it will receive net proceeds of slightly above EUR 2.5 billion, as the purchaser would be compensated for certain defined liabilities of HERE currently expected to be slightly below EUR 300 million as part of the transaction. Upon closing of the HERE transaction, which does not affect the exchange ratio of this Exchange Offer, and assuming that the Exchange Offer has not yet been completed, Nokia will consist of two businesses: Nokia Networks and Nokia Technologies.

It is currently expected that after the Completion of the Exchange Offer, Networks business would be conducted through four business groups: Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. The business group leaders would report directly to Nokia s President and Chief Executive Officer:

- **Mobile Networks (MN)** would include Nokia s and Alcatel Lucent s comprehensive Radio portfolios and most of their converged Core network portfolios including IMS/VoLTE and Subscriber Data Management, as well as the associated mobile networks-related Global Services business. This unit would also include Alcatel Lucent s Microwave business and all of the combined company s end-to-end Managed Services business.

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Fixed Networks (FN) would comprise the current Alcatel Lucent Fixed Networks business, whose cutting-edge innovation and market position would be further supported through strong collaboration with the other business groups.

Applications & Analytics (A&A) would combine the Software and Data Analytics-related operations of both companies. This comprehensive applications portfolio would include Customer Experience Management, OSS as distinct from network management such as service fulfilment and assurance, Policy and Charging, services, Cloud Stacks, management and orchestration, communication and collaboration, Security Solutions, network intelligence and analytics, device management and Internet of Things connectivity management platforms. CloudBand would also be housed in this business group, which would drive innovation to meet the needs of a convergent, Cloud-centric future.

IP/Optical Networks (ION) would combine the current Alcatel Lucent IP Routing, Optical Transport and IP video businesses, as well as the software defined networking (SDN) start-up, Nuage, plus Nokia s IP partner and Packet Core portfolio.

Along side these four business groups of Networks, Nokia Technologies would continue to operate as a separate business group with a clear focus on licensing and the incubation of new technologies.

Nokia s registered office and its principal executive office is Karaportti 3, FI-02610 Espoo, Finland, and the telephone number is +358 (0) 10-448-8000.

Nokia Shares are traded on the Nasdaq Helsinki under the symbol NOKIA and Nokia ADSs are traded on the NYSE under the symbol NOK. In addition, application has been made for Admission of the Nokia Shares to Euronext Paris. Nokia expects to request that the Admission be approved to take effect prior to the Completion of the Exchange Offer. As of June 30, 2015, 3 678 328 858 Nokia Shares were outstanding (including 54 326 556 Nokia Shares owned by Nokia group companies and 477 477 741 Nokia Shares represented by Nokia ADSs).

In October 2012, Nokia issued the Convertible Bond. If the Convertible Bond is converted into Nokia Shares in its entirety, which would occur by November 17, 2015 because of Nokia s prior announcement that it will exercise its option to redeem the Convertible Bonds on November 26, 2015, at the current conversion price of EUR 2.39 per Nokia Share, approximately 313 723 849 Nokia Shares (assuming full conversion) would be issued, representing approximately 5.2% of the issued and outstanding Nokia Shares after Completion of the Exchange Offer (assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any).

Alcatel Lucent (page 188)

Alcatel Lucent is a French *société anonyme*, established in 1898, originally as a listed company named Compagnie Générale d Électricité. Alcatel Lucent is registered at the Nanterre Trade and Companies Registry under number 542019096. Its APE business activity code is 7010Z. Alcatel Lucent s corporate purpose is the design, manufacture, operation and sale of all equipment, material and software related to domestic, industrial, civil, military or other applications concerning electricity, telecommunications, computers, electronics, aerospace industry, nuclear energy, metallurgy, and, in general, of all the means of production or transmission of energy or communications (cables, batteries and other components), as well as, secondarily, all activities relating to operations and services in connection with the above-mentioned means worldwide. It may acquire interests in any company, regardless of its form, in associations, French or foreign business groups, whatever their corporate purpose and activity may be and, in general, may carry out any industrial, commercial, financial, assets or real estate transactions, in connection, directly or indirectly, totally or partially, with any of the corporate purposes set out in Article 2 of its articles of association and with all similar or related purposes.

Alcatel Lucent currently has two operating segments: Core Networking and Access. Until March 2014, Alcatel Lucent had a third operating segment: Other. The Core Networking segment includes three business divisions: IP Routing, IP Transport and IP Platforms. In 2014, revenues in the Core Networking segment were EUR 5.97 billion, representing 45% of Alcatel Lucent s total revenues. The Access segment includes four business divisions: Wireless, Fixed Access, Licensing and Managed Services. In 2014, revenues in the Access segment were EUR 7.16 billion, representing 54% of Alcatel Lucent s total revenues. Until 2014, the Other segment included the government business, which built and delivered complete turnkey solutions in support of U.S. federal government agencies in the U.S. On March 31, 2014, Alcatel Lucent completed the disposal of LGS Innovations LLC. In 2014 revenues in Alcatel Lucent s Other segment were EUR 41 million, representing less than 1% of Alcatel Lucent s total revenues.

On October 6, 2015, Alcatel Lucent announced that it is to continue to operate its undersea cables business, Alcatel Lucent Submarine Networks (ASN), as a wholly owned subsidiary. Alcatel Lucent announced that ASN will continue to execute its strategic roadmap, strengthen its leadership in submarine cable systems for telecom applications and pursue further diversification into the Oil & Gas sector.

Alcatel Lucent s principal office is located at 148/152 Route de la Reine 92100 Boulogne-Billancourt, France, and the telephone number is +33 (0)1 55 14 10 10.

The Alcatel Lucent Shares are traded on Euronext Paris under the symbol ALU and Alcatel Lucent ADSs are traded on the NYSE under the symbol ALU. As of October 29, 2015, 2 840 382 376 Alcatel Lucent Shares were outstanding (including 40 115 700 Alcatel Lucent Shares held in treasury by Alcatel Lucent and 472 058 361 Alcatel Lucent Shares represented by Alcatel Lucent ADSs). The OCEANEs are traded on Euronext Paris, under the symbol YALU for the 2018 OCEANEs, YALU1 for the 2019 OCEANEs and YALU2 for the 2020 OCEANEs. As of October 29, 2015, 349 413 670 of the 2018 OCEANEs, 167 500 000 of the 2019 OCEANEs and 114 499 995 of the 2020 OCEANEs were outstanding.

Summary of the Terms of the Exchange Offer (page [115])

Exchange Offer	Nokia, a Finnish corporation, is offering, upon the terms and subject to the Conditions set out in this exchange offer/prospectus and the French Offer Documentation, to acquire all of the Alcatel Lucent Securities through the Exchange Offer whereby Alcatel Lucent Securities will be exchanged for Nokia Shares or Nokia ADSs, as described below. The Exchange Offer is comprised of the U.S. Offer and the French Offer. The U.S. Offer is being made pursuant to this exchange offer/prospectus to all U.S. holders of outstanding Alcatel Lucent Shares, all holders of outstanding Alcatel Lucent ADSs, wherever located, and all U.S. holders of outstanding OCEANEs. Holders of Alcatel Lucent ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer. Holders of Alcatel Lucent Securities who are restricted from participating in the U.S. Offer pursuant to the Sanctions may not participate in the U.S. Offer. The French Offer is made pursuant to separate

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French Offer Documentation available to holders of Alcatel Lucent Shares and OCEANEs who are located in France (holders of Alcatel Lucent Shares and OCEANEs who are located outside of France may not participate in the French Offer except if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the French Offer). After Completion of the Exchange Offer and assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any, former holders of Alcatel Lucent Securities are expected to own approximately 33.5% of the issued and outstanding Nokia Shares on a fully diluted basis (based on the number of shares outstanding on December 31, 2014).

Consideration to be Received

For every Alcatel Lucent Share you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 Nokia Share. For every Alcatel Lucent ADS you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 Nokia ADS. For every 2018 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.6930 Nokia Share. For every 2019 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share. For every 2020 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share.

No fractional Nokia Share or fractional Nokia ADS will be issued in connection with the U.S. Offer. In lieu of any fraction of a Nokia Share or Nokia ADS that you would otherwise have been entitled to receive pursuant to the terms of the U.S. Offer, you will receive an amount in cash equal to the product of that fraction and the average sale price per Nokia Share, net of expenses, or the average sale price per Nokia ADS, net of expenses, as applicable in the sale of all the aggregated fractional Nokia Shares or all of the aggregated fractional Nokia ADSs that would have otherwise been issued in the Exchange Offer.

Offer Period

The U.S. Offer is expected to commence on November 18, 2015, following Nokia s filing of the Schedule TO with the SEC. The U.S. Offer and withdrawal rights for tenders of Alcatel Lucent Shares and OCEANEs into the U.S. Offer will expire at the Expiration Date (which is 11:00 A.M., New York City time (5:00 P.M. Paris time) on December 22, 2015) unless the U.S. Offer is extended. The ADS Tender Deadline for validly tendering and withdrawing Alcatel Lucent ADSs in the U.S. Offer will expire at 5:00 P.M., New York City time, on the U.S. business day immediately preceding the Expiration Date, which will be December 21, 2015 unless the U.S. Offer is extended.

Extensions

Only the AMF has the authority to set or to extend the expiration date of the French Offer. Pursuant to the Memorandum of Understanding, Nokia has agreed to ensure that, subject to applicable law, the period during which the U.S. Offer is open

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corresponds to the period during which the French Offer is open (including any extensions or subsequent offering periods in relation to the French Offer). Subject to the AMF General Regulation, in certain circumstances, the AMF may allow the extension of the French Offer. If the French Offer is extended, the AMF will issue a notice of extension on its website *http://www.amf-france.org*. Subject to the U.S. federal securities laws and the Memorandum of Understanding, Nokia expressly reserves the right to extend the U.S. Offer either to match the extension of the French Offer or otherwise.

In addition, Nokia may be required by the U.S. federal securities laws to extend the U.S. Offer in certain situations. Nokia will post a notice of any extension of the French Offer or the U.S. Offer on its website *www.nokia.com* and will issue a public announcement. The information on Nokia s or the AMF s website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

Conditions to the Exchange Offer

Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into the U.S. Offer is subject only to:

- the Minimum Tender Condition being satisfied or, if waived by Nokia in its sole discretion, the crossing of the Mandatory Minimum Acceptance Threshold; and
- receipt of the Nokia Shareholder Approval.

Procedure for Tendering

The procedure for tendering Alcatel Lucent Securities varies depending on a number of factors, including:

- whether you hold Alcatel Lucent Shares, Alcatel Lucent ADSs or OCEANEs;
- whether you hold your Alcatel Lucent ADSs in certificated or book-entry form; and
- whether your Alcatel Lucent ADSs are immediately available to you at the time of tender.

You should read carefully the procedures for tendering your Alcatel Lucent Securities beginning on page 123 of this exchange offer/prospectus as well as the related transmittal materials enclosed with this exchange offer/prospectus.

Notice of Guaranteed Delivery

If you are unable to deliver your Alcatel Lucent ADSs and all other required documents to the U.S. exchange agent prior to the ADS Tender Deadline, you may benefit from a limited amount of additional time by having a broker, a bank or another fiduciary that is an Eligible Institution (as defined below) guarantee that the missing items will be received by the U.S. exchange agent by using the enclosed Notice of Guaranteed

Delivery. To validly tender your Alcatel Lucent ADSs in this

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manner, however, the U.S. exchange agent must receive the missing items within the time period specified in the Notice of Guaranteed Delivery.

Withdrawal Rights

Alcatel Lucent Shares and OCEANEs tendered into the U.S. Offer can be withdrawn at any time prior to the Expiration Date, as it may be extended, and Alcatel Lucent ADSs tendered into the U.S. Offer can be withdrawn at any time prior to the ADS Tender Deadline, as it may be extended. In addition, in accordance with U.S. securities laws, Alcatel Lucent Securities tendered into the U.S. Offer may generally be withdrawn if they have not been accepted for exchange within 60 days after the beginning of the offer period. However, these withdrawal rights will not be available following the expiration of the U.S. Offer and prior to the commencement of the subsequent offering period, if any. In addition, subject to satisfaction of all Conditions other than the Minimum Tender Condition, these withdrawal rights will not be available during the period that the securities tendered into the Exchange Offer are being counted. During any subsequent offering period, no withdrawal rights will apply to Alcatel Lucent Securities tendered during such subsequent offering period pursuant to Rule 14d-7(a)(2) under the Exchange Act.

Announcement of Results

We expect the definitive results of the French Offer (taking into account the results of the U.S. Offer), to be announced by the AMF approximately four to five and in any event not more than nine French trading days following the Expiration Date, or the expiration of the subsequent offering period, as applicable.

Settlement and Delivery of Securities

If the Conditions have been satisfied or, if applicable, waived, Nokia will accept for exchange and will exchange all Alcatel Lucent Securities that have been validly tendered into, and not withdrawn from, the Exchange Offer and Nokia will issue and deliver the Nokia Shares and will cause its depositary to issue and deliver Nokia ADSs through the U.S. exchange agent approximately five French trading days following the announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer), in accordance with applicable French, Finnish and U.S. rules and regulations.

With respect to the subsequent offering period, if any, Nokia will accept for exchange and will exchange all Alcatel Lucent Securities that have been validly tendered into the Exchange Offer during the subsequent offering period and Nokia will issue and deliver the Nokia Shares and will cause its depositary to promptly issue and deliver Nokia ADSs through the U.S. exchange agent approximately five French trading days following the announcement of the results of the subsequent offering period by the AMF, in accordance with applicable French and U.S. rules and regulations.

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We expressly reserve the right (but are not obliged) at any time or from time to time in our sole discretion, subject to the applicable French and U.S. rules and regulations and the Memorandum of Understanding, to modify or amend the terms of the Exchange Offer and Conditions in any respect and to terminate the Exchange Offer and not accept for exchange any Alcatel Lucent Securities if any of the Conditions to the Exchange Offer have not been satisfied at the Expiration Date, by giving oral or written notice of such termination to the U.S. exchange agent and by making a public announcement of such termination.

Treatment of Alcatel Lucent Stock Options and Performance Shares (page 151])

Holders of Alcatel Lucent Stock Options who wish to tender in the Exchange Offer or the subsequent offering period, if any, must exercise their Alcatel Lucent Stock Options and Alcatel Lucent Shares must be issued to such holders prior to the Expiration Date or the expiration of the subsequent offering period, as applicable. Pursuant to the Memorandum of Understanding, Alcatel Lucent agreed to accelerate or waive certain terms of the Alcatel Lucent Stock Options granted prior to April 15, 2015, subject to certain conditions, including that the Exchange Offer is successful, that holders satisfy the presence condition on the Expiration Date and that they undertake to exercise their Alcatel Lucent Stock Options and to sell the resulting Alcatel Lucent Shares on the market no later than two trading days before the expiration of the subsequent offering period or, in the case there is no subsequent offering period, before the squeeze-out.

Alcatel Lucent Performance Shares cannot be tendered in the Exchange Offer or the subsequent offering period, if any, unless such Performance Shares have vested and are transferable prior to the Expiration Date or the expiration of the subsequent offering period, as applicable. Pursuant to the Memorandum of Understanding, Alcatel Lucent will offer to holders of Alcatel Lucent Performance Shares granted prior to April 15, 2015, and still subject to a vesting period, an option to waive their rights under the Alcatel Lucent Performance Shares plans in exchange for an indemnity payable in unrestricted Alcatel Lucent Shares, subject to certain conditions, including that the Exchange Offer is successful, that the holders satisfy the presence condition on the Expiration Date and that they undertake to sell any resulting Alcatel Lucent Shares on the market no later than two trading days before the expiration of the subsequent offering period.

Reasons for the Exchange Offer (page 49)

We believe that the combination of Nokia s and Alcatel Lucent s businesses will create significant value for stakeholders of both companies. Following the Completion of the Exchange Offer, Nokia will be well-positioned to create the foundation of seamless connectivity for people and things wherever they are. We believe that this foundation is essential for enabling the next wave of technological change, including the Internet of Things and transition to the cloud.

The strategic rationale for combining the two companies includes:

- creation of end-to-end portfolio scope and scale player with leading global positions across products, software and services to meet changing industry paradigms;

- complementary offerings, customers and geographic footprint;

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- enhanced research and development capabilities creating an innovation powerhouse with significant combined R&D resources;
- the recent execution track-record on both sides and common vision for the future;
- the opportunity to realize significant cost savings and other synergies; and
- the development of a robust capital structure and strong balance sheet.

End-to-end portfolio scope and scale player with leading global positions across products, software and services to meet changing industry paradigms

Combining Nokia with Alcatel Lucent will bring together the complementary capabilities of both companies with an end-to-end portfolio of software, services and products, which will be weighted towards next-generation technologies enabling us to provide better solutions to customers and access new opportunities in an expanded, addressable market.

Following the Completion of the Exchange Offer, the combined company is expected to be a leader in technologies such as fixed broadband, LTE, IP routing, cloud applications and advanced analytics, positioning the company as either the number one or two player in most key business areas. We expect to have the scale to service the very largest global multinational customers with a broader range of products, software and services across a wider geographic footprint, which we believe will make us the strategic partner of choice for the long term.

Complementary offerings, customers and geographic footprint

The Exchange Offer brings together two businesses which we believe have highly complementary portfolios and geographies, bringing together the best of fixed and mobile, IP routing, core networks, cloud applications and services. Together, Nokia and Alcatel Lucent will have particular strength in the United States, China, Europe and Asia-Pacific. We believe that the combined company will be positioned to target a larger addressable market, and we estimate, based on our internal data, that the combined company would have an improved growth profile.

Enhanced research and development capabilities creating an innovation powerhouse with significant combined R&D resources

The combined company will have significant innovation capabilities, with Alcatel Lucent s Bell Labs and Nokia s FutureWorks, as well as Nokia Technologies. The latter is expected to stay as a separate entity with a clear focus on licensing and the incubation of new technologies.

The recent execution track-record on both sides and common vision for the future

We believe that both companies are in a far better position to combine at this point in time and the combination is being conducted from a position of strength. Both companies have recently improved their operational efficiency and agility through significant restructurings, Nokia has purchased Siemens share of Nokia Siemens Network, divested substantially all of its Devices & Services business to Microsoft and has announced the pending disposal of its HERE digital mapping and location services business while Alcatel Lucent is coming to the end of the Shift plan.

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The opportunity to realize significant cost savings and other synergies

The combined company would target approximately EUR 900 million of annual operating cost synergies to be achieved on a full year basis in 2018, relative to the combined non-IFRS projected results of Nokia and Alcatel Lucent for the full year 2015, and assuming Completion of the Exchange Offer in the first quarter 2016.

The development of a robust capital structure and strong balance sheet

The combined company will benefit from enhanced financial resources for growth and investment purposes. The combined company is expected to have a strong balance sheet, which will support our ambition to re-establish our long-term investment-grade rating. Assuming conversion of all OCEANEs and completion of the sale of our HERE business, the pro forma net cash position of the combined company at June 30, 2015 would have been EUR 8.1 billion and pro forma cash and cash equivalents of the combined company at June 30, 2015 would have been EUR 10.5 billion. Net cash is a non-IFRS financial measure. Refer to Selected Unaudited Pro Forma Combined Financial Information for a description of how we define and calculate net cash. Following the Completion of the Exchange Offer, Nokia intends to implement a capital structure optimization program for the combined group (see The Exchange Offer Intentions of Nokia over the next twelve months Capital structure optimization program).

Integration and Reorganization (page 103)

The strategic direction of Alcatel Lucent will be to continue to offer leading solutions in Alcatel Lucent s business lines by taking advantage of the increased customer base attributable to the combination of Nokia and Alcatel Lucent. Nokia intends to integrate Alcatel Lucent into the Nokia group as soon as possible if the Exchange Offer is successful. In addition, Nokia intends to propose changes to the composition of Alcatel Lucent s board of directors if the Exchange Offer is successful. The composition of the Alcatel Lucent board of directors will take into account the new share ownership structure of Alcatel Lucent and in particular, the ownership level of Nokia. Also refer to the The Exchange Offer Certain Consequences of the Exchange Offer for a description of certain consequences of the Exchange Offer on Alcatel Lucent Securities.

Squeeze-out (page 99)

If, at the Completion of the Exchange Offer or the completion of the subsequent offering period, if any, Nokia owns 95% or more of the share capital and voting rights of Alcatel Lucent (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining outstanding Alcatel Lucent Shares for cash consideration. In addition, if, at the Completion of the Exchange Offer or the completion of the subsequent offering period, if any, Nokia owns 95% or more of the sum of the outstanding Alcatel Lucent Shares and the Alcatel Lucent Shares issuable upon conversion of all of the OCEANEs then outstanding (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining OCEANEs for cash consideration.

In accordance with French law and the AMF General Regulation, in such a squeeze-out, Nokia intends, prior to the implementation of the squeeze-out for cash consideration, to propose the Exchange Option to the holders of Alcatel Lucent Securities. The holders of Alcatel Lucent Securities may opt for the Exchange Option for all or part of their Alcatel Lucent Securities within a time period to

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be determined at a later date. The Alcatel Lucent Securities not tendered into the Exchange Option will be subject to the squeeze-out for cash consideration. We believe that the Exchange Option conducted in accordance with the French law and the AMF General Regulation would constitute a tender offer for U.S. securities law purposes. If it qualifies for a Tier I exemption from the U.S. tender offer rules, the Exchange Option may be conducted primarily in accordance with French law. Furthermore in such case, any Nokia Shares and Nokia ADSs forming part of the consideration offered in any the Exchange Option may be exempt from registration pursuant to Rule 802 promulgated under the Securities Act.

If Nokia owns less than 95% of the share capital and voting rights of Alcatel Lucent immediately after the completion of the subsequent offering period, then Nokia reserves the right, subject to applicable law, to (i) commence a buy-out offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to the AMF General Regulation if at any time thereafter it owns 95% or more of the voting rights of Alcatel Lucent; (ii) commence at any time a simplified offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 233-1 et seq. of the AMF General Regulation; (iii) purchase Alcatel Lucent Shares on the market; (iv) cause Alcatel Lucent to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent; or (v) take any other steps to consolidate its ownership of Alcatel Lucent. We do not currently intend to structure any of the foregoing steps so that it would result in the OCEANEs becoming convertible bonds of Nokia Corporation, becoming debt obligations of Nokia Corporation or otherwise convertible into Nokia Shares or Nokia ADSs.

In addition, Nokia reserves the right, subject to applicable law, at any time after the Completion of the Exchange Offer or the subsequent offering period, as applicable, to cause Alcatel Lucent to redeem at par value, plus, as applicable, accrued interest from the date the interest was last paid, to the date set for the early redemption of all of the outstanding 2018 OCEANEs, 2019 OCEANEs or 2020 OCEANEs, if less than 15% of the issued OCEANEs of any such series remain outstanding.

Alcatel Lucent Board of Directors Approval of the Memorandum of Understanding (page 51)

At a meeting held on April 14, 2015, Alcatel Lucent s board of directors, taking into account the factors described in The Transaction Reason for the Alcatel Lucent Board of Directors Approval of the Transaction Reasons for Approving the Memorandum of Understanding , unanimously approved the terms of and Alcatel Lucent s entry into the Memorandum of Understanding.

Alcatel Lucent Board of Directors Recommendation (page 63)

At a meeting held on October 28, 2015, Alcatel Lucent s board of directors, as a result of the matters described in The Transaction Reasons for the Alcatel Lucent Board of Directors Approval of the Transaction Reasons for the Alcatel Lucent Board Recommendation , taking into account the factors described in that section, issued a favorable opinion on the Exchange Offer, it being specified that, in light of their proposed nomination to Nokia s board of directors, Mr. Louis R. Hughes, Mr. Jean C. Monty and Mr. Olivier Piou decided not to participate in the discussions on and not to vote on the opinion. The participating members of Alcatel Lucent s board of directors unanimously:

(i) determined that the Exchange Offer was in the best interest of Alcatel Lucent, its employees and its stakeholders (including holders of Alcatel Lucent Shares and holders of other Alcatel Lucent Securities);

(ii) recommended that all holders of Alcatel Lucent Shares and holders of Alcatel Lucent ADSs tender their Alcatel Lucent Shares and/or their Alcatel Lucent ADSs pursuant to the Exchange Offer; and

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(iii) recommended that all holders of OCEANEs tender their OCEANEs pursuant to the Exchange Offer.

Opinions of Alcatel Lucent s Financial Advisor (page 77)

On April 14, 2015, Zaoui & Co. S.A. (Zaoui) delivered to Alcatel Lucent s board of directors its oral opinion, which was subsequently confirmed by delivery of a written opinion dated as of such date, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares and Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

Alcatel Lucent s board of directors further requested that, prior to determining that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) and recommending that holders of Alcatel Lucent Shares tender their Alcatel Lucent Shares into the Exchange Offer, Zaoui update its fairness opinion. On October 28, 2015, Zaoui delivered to Alcatel Lucent s board of directors its oral opinion, which was subsequently confirmed by delivery of a written opinion dated as of such date, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares and Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

The full text of Zaoui s written opinions dated April 14, 2015 and October 28, 2015, which set forth a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Zaoui in preparing its opinions, are attached as Annex B-I and Annex B-II, respectively, to this exchange offer/prospectus. The summary of the written opinions of Zaoui contained in this exchange offer/prospectus are qualified in their entirety by the full text of Zaoui s written opinions. Zaoui s advisory services and opinions were provided for the information and assistance of Alcatel Lucent s board of directors in connection with its consideration of the Exchange Offer and whether to determine that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) and recommend the Exchange Offer to holders of Alcatel Lucent Securities and may not be used for any other purpose without Zaoui s prior written consent. In addition, Zaoui s opinions do not constitute a recommendation as to whether any holder of Alcatel Lucent Shares, including Alcatel Lucent ADSs, should tender their Alcatel Lucent Shares or Alcatel Lucent ADSs into the Exchange Offer or as to any other matter.

Risk Factors (page 25)

An investment in Nokia Shares or Nokia ADSs involves risks, some (but not all) of which are related to the Exchange Offer. In considering whether or not to tender your Alcatel Lucent Securities in the U.S. Offer, you should carefully consider the information about these risks listed under the Risk Factors section of this exchange offer/prospectus and the other information included or incorporated by reference into this exchange offer/prospectus.

Nokia Shareholder Meeting (page 92)

Nokia has convened an extraordinary general meeting of Nokia shareholders to consider and vote on the resolution contemplated by the Nokia Shareholder Approval and the election of three nominees to

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the Nokia board of directors, jointly identified by the Corporate Governance & Nomination committee of the Nokia board of directors and by Alcatel Lucent. The extraordinary general meeting is currently scheduled for December 2, 2015. Proxy materials related to the extraordinary general meeting have been separately distributed by Nokia. The election of the new director nominees would be subject to a successful Completion of the Exchange Offer. The resolution contemplated by the Nokia Shareholder Approval must be approved by shareholders representing at least two-thirds of the votes cast and shares represented at the extraordinary general meeting. The election of each director nominee at the extraordinary general meeting must be approved by shareholders representing at least a majority of the votes cast at the extraordinary general meeting.

Trading in Alcatel Lucent Securities During and After the Exchange Offer Period (page 138)

As a result of the Exchange Offer, trading in Alcatel Lucent Securities may be adversely affected during and after the Exchange Offer period or the subsequent offering period, if any. Additionally, the Completion of the Exchange Offer may result in reduced liquidity of Alcatel Lucent Securities, and delisting of Alcatel Lucent Shares and/or OCEANEs from Euronext Paris and/or of Alcatel Lucent ADSs from the NYSE, termination of the Alcatel Lucent deposit agreement and a possible deregistration of the Alcatel Lucent Shares and the Alcatel Lucent ADSs under the Exchange Act.

Accounting Treatment (page 142)

Nokia prepares its consolidated financial statements in accordance with IFRS as issued by the International Accounting Standards Board and in conformity with IFRS as adopted by the European Union. The acquisition of Alcatel Lucent is expected to be accounted for as a business combination using the acquisition method of accounting under IFRS with Nokia considered as the acquirer. This means that Nokia will allocate the purchase consideration to the fair value of Alcatel Lucent s identifiable assets and assumed liabilities at the acquisition date, with any excess of the purchase consideration over the net identifiable net assets acquired recognized as goodwill. Under IFRS, goodwill is not amortized but is tested for impairment at least annually.

No Appraisal Rights (page 142)

There are no appraisal or similar rights available to holders of Alcatel Lucent Securities in connection with the Exchange Offer.

Tax Considerations (page 172)

The exchange of Alcatel Lucent Securities for Nokia Securities (as defined in Tax Considerations United States Federal Income Tax Consequences) pursuant to the Exchange Offer and the receipt of cash and/or Nokia Securities pursuant to the squeeze-out of Alcatel Lucent Securities are expected to be taxable exchanges for U.S. federal income tax purposes. Assuming that is the case, the following U.S. federal income tax consequences generally will apply to a participating U.S. holder (as defined in Tax Considerations United States Federal Income Tax Consequences): (i) such holder generally will recognize gain or loss on the receipt of Nokia Securities in exchange for Alcatel Lucent Securities in the Exchange Offer or the receipt of cash and/or Nokia Securities pursuant to the Exchange Option or the squeeze-out of Alcatel Lucent Securities; (ii) such holder s aggregate tax basis in the Nokia Securities received pursuant to the Exchange Offer, the Exchange Option or the squeeze-out of Alcatel Lucent Securities will be equal to the fair market value of the Nokia Shares or Nokia ADSs received by such U.S. holder on the date Alcatel Lucent Securities are exchanged pursuant to the Exchange Offer, the Exchange Option or the squeeze-out of Alcatel Lucent Securities; and (iii) such holder s holding

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period for the Nokia Shares or Nokia ADSs will begin on the day following the day such U.S. holder s Alcatel Lucent Securities are exchanged pursuant to the Exchange Offer, the Exchange Option or the squeeze-out of Alcatel Lucent Securities.

For more information on certain French, Finnish and U.S. tax consequences of the Exchange Offer, see the Tax Considerations section of this exchange offer/prospectus. You should consult your own tax advisor on the tax consequences to you of tendering your Alcatel Lucent Shares, OCEANEs and/or Alcatel Lucent ADSs in the Exchange Offer.

Interests of Executive Officers and Directors of Alcatel Lucent in the Exchange Offer (page 151)

Certain members of the board of directors and management of Alcatel Lucent participated in determining the terms of the Exchange Offer. These individuals may have certain interests in the proposed Exchange Offer that are different from, or in addition to, the interests of holders of Alcatel Lucent Securities generally and that may have caused them to view the proposed transaction more favorably and/or differently than you might.

The Alcatel Lucent board of directors was aware of these interests when it considered the Exchange

Offer at its meeting on October 28, 2015.

Information on the interests of executive officers and directors of Alcatel Lucent in the Exchange Offer is described in Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to Alcatel Lucent Security holders together with this exchange offer/prospectus and is incorporated herein by reference.

Certain Relationships with Alcatel Lucent and Interests of Nokia in the Exchange Offer (page 150)

Except as set forth in this exchange offer/prospectus, neither Nokia nor, after due inquiry and to the best of Nokia s knowledge and belief, any of its directors, executive officers or other affiliates has any contract, arrangement, understanding or relationship with any other person with respect to any securities of Alcatel Lucent.

Comparison of Rights of Holders of Nokia Shares and Alcatel Lucent Shares (page 211)

The rights of holders of Alcatel Lucent Shares are governed by French law and by Alcatel Lucent s articles of association. If your Alcatel Lucent Shares or Alcatel Lucent ADSs are acquired in the Exchange Offer, you will become a holder of Nokia Shares or Nokia ADSs, as applicable. Your rights as a holder of Nokia Shares (directly or through Nokia ADSs) will be governed by Finnish law and by the articles of association of Nokia.

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Securities Prices (pages 183 and 188)

The following tables set forth, for April 13, 2015, the date immediately prior to the public announcement of discussions related to the possible business combination between Nokia and Alcatel Lucent, April 14, 2015, the date immediately prior to the public announcement of the execution of the Memorandum of Understanding and November 10, 2015, the most recent practicable trading day before the opening of the Exchange Offer, the reported closing prices for Nokia Shares on the Nasdaq Helsinki and the reported closing prices for Nokia ADSs on the NYSE, as well as the reported closing prices for Alcatel Lucent Shares on Euronext Paris, the reported closing prices for Alcatel Lucent ADSs on the NYSE and the latest reasonably available quotations for the OCEANEs on Euronext Paris.

	Nokia Share Closing Price	Nokia ADS Closing Price	Alcatel Lucent Share Closing Price	Alcatel Lucent ADS Closing Price
April 13, 2015	7.77	$ 8.30	3.86	$ 4.35
April 14, 2015	7.49	$ 7.96	4.48	$ 4.93
November 10, 2015		$		$

	2018 OCEANEs	2019 OCEANEs	2020 OCEANEs
April 13, 2015	4.22	4.82	4.82
April 14, 2015	5.24	5.69	5.69
November 10, 2015			

Regulatory Approvals for the Exchange Offer (page 147)

Pursuant to the Memorandum of Understanding, the filing of the French Offer with the AMF was conditional on the receipt of approvals (or expiration of the relevant waiting periods) from antitrust or similar authorities in nine jurisdictions, including the United States, the European Union and China. In addition, the filing of the French Offer with the AMF was subject to the authorization of the Ministry of Economy and Finance of the French Republic and the receipt of the required approval of the Committee on Foreign Investment in the United States. These regulatory approvals have been received prior to the filing of the French Offer with the AMF.

No Solicitation of Alternate Proposals (page 107)

Alcatel Lucent agreed not to and to cause its subsidiaries not to, and to use its reasonable best efforts to cause its and its subsidiaries senior officers, directors or representatives not to, solicit or otherwise initiate or accept any Alternate Proposal (as defined below).

Change in Alcatel Lucent Board Recommendation (page 109)

Alcatel Lucent agreed not make a Change in Alcatel Lucent Board Recommendation (as defined below) after the date of the filing of the French Offer with the AMF except as required by its fiduciary duties in response to a Superior Proposal (as defined below) or in response to a material adverse effect occurring with respect to Nokia. Subject to the AMF rules and regulations, prior to accepting any Superior Proposal, Alcatel Lucent agreed to negotiate in good faith with Nokia with respect to any changes to the terms of Memorandum of Understanding or the Exchange Offer.

Change in Nokia Board Recommendation (page 110)

Nokia agreed not to make a Change in Nokia Board Recommendation (as defined below) except, prior to the date of the extraordinary general meeting of Nokia shareholders convened for the purpose of obtaining Nokia Shareholder Approval, as required by its fiduciary duties in response to a Nokia

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Intervening Event (as defined below). Prior to making a Change in Nokia Board Recommendation, Nokia agreed to negotiate in good faith with Alcatel Lucent with respect to any changes to the terms of Memorandum of Understanding or the Exchange Offer.

Termination of the Memorandum of Understanding (page 112)

The Memorandum of Understanding may be terminated by mutual agreement of Nokia and Alcatel Lucent.

After the commencement of the U.S. Offer, the Memorandum of Understanding may be terminated either by Nokia or Alcatel Lucent with a written notice to the other party (subject to certain exceptions):

(a) if, pursuant to Article 232-11 of the AMF General Regulation, the French Offer has been withdrawn by Nokia, or the AMF has published a notice that the French Offer was not successful;

(b) any relevant governmental authority of competent jurisdiction has (i) denied in writing any regulatory consent required under the Memorandum of Understanding or (ii) enacted, issued, promulgated or granted any restricting law prohibiting the transaction contemplated by the Memorandum of Understanding;

(c) if the Alcatel Lucent board of directors withdraws its support for the Exchange Offer in connection with a Superior Proposal; or

(d) at any time prior to the Completion of the Exchange Offer, if the resolution related to the Nokia Shareholder Approval has been submitted at the Nokia extraordinary general meeting and the Nokia Shareholder Approval shall not have been validly obtained.

After the commencement of the U.S. Offer, the Memorandum of Understanding may be terminated by Nokia with a written notice to Alcatel Lucent (subject to certain exceptions) if the Alcatel Lucent board of directors withdraws its support for the Exchange Offer for any reason other than in connection with a Superior Proposal or in response to a material adverse effect with respect to Nokia.

After commencement of the U.S. Offer, the Memorandum of Understanding may be terminated by Alcatel Lucent with a written notice to Nokia (subject to certain exceptions) if the Nokia board of directors makes a Change in Nokia Board Recommendation.

Even if the Memorandum of Understanding was terminated, such a termination would not automatically result in the withdrawal of the French Offer. According to Article 232-11 of the AMF General Regulation, an offeror may only withdraw its offer in limited circumstances.

Termination Fees (page 113)

After the commencement of the Exchange Offer, Nokia may be obligated to pay to Alcatel Lucent:

(a) EUR 150 million if the Memorandum of Understanding is terminated due to a failure to obtain Nokia Shareholder Approval;

(b) EUR 300 million if the Memorandum of Understanding is terminated due to (i) Change in Nokia Board Recommendation or (ii) material breach by Nokia of the Memorandum of Understanding and Nokia or Nokia s board of directors having taken deliberate action to frustrate the obtaining of the Nokia Shareholder Approval; or

(c) EUR 400 million if the Memorandum of Understanding is terminated due to a relevant regulatory authority of competent jurisdiction having enacted or otherwise issued an injunction or a restricting law with respect to the Exchange Offer.

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After the commencement of the Exchange Offer, Alcatel Lucent may be obligated to pay to Nokia:

(a) EUR 300 million if the Memorandum of Understanding is terminated due to (i) Alcatel Lucent board of directors decision or measure leading to withdrawal of the French Offer pursuant to Article 232-11 of the AMF General Regulation or (ii) change in Alcatel Lucent Board Recommendation; or

(b) EUR 300 million if (i) a certain type of an Alternate Proposal is publicly announced or otherwise communicated to Alcatel Lucent, (ii) Alcatel Lucent does not make a Change in Alcatel Lucent Board Recommendation, (iii) the Exchange Offer is terminated due to failure to satisfy the Minimum Tender Condition and (iv) within 12 months of such termination, Alcatel Lucent enters into and consummates an agreement with respect to such Alternate Proposal with the person making such Alternate Proposal.

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COMPARATIVE DATA

The following table presents, for the periods indicated, selected historical financial information and per share data for Nokia and Alcatel Lucent and selected pro forma financial information and per share data.

The unaudited pro forma condensed combined financial information and pro forma per share data for the year ended December 31, 2014 and six months ended June 30, 2015 assumes and gives effect to the Exchange Offer as if it was completed on January 1, 2014 and presents our HERE business as a discontinued operation to give pro forma effect to the sale of our HERE business. The acquisition of Alcatel Lucent is expected to be accounted for as a business combination using the acquisition method of accounting under the provisions of IFRS 3, Business Combinations (IFRS 3) with Nokia considered as the acquirer of Alcatel Lucent.

Nokia s and Alcatel Lucent s historical financial information and per share amounts are presented in euros. Selected Nokia and Alcatel Lucent historical financial information and per share amounts have been translated from euros to U.S. dollars at the average noon buying rate for the relevant period in New York City for cable transfers in euro as certified for customs purposes by the Federal Bank of New York.

You should read this information in conjunction with, and this information is qualified in its entirety by, the consolidated financial statements and accompanying notes of Nokia and Alcatel Lucent incorporated by reference in this exchange offer/prospectus and the unaudited pro forma condensed combined financial statements and accompanying notes included elsewhere in this exchange offer/prospectus. The pro forma amounts in the table below are presented for information purposes only. You should not rely on the pro forma amounts as being indicative of the financial position or results of operations of the combined company that would have actually occurred had the Exchange Offer been effective and the sale of our HERE business occurred as at or during the period presented or of the future financial position or future results of operations of the combined company. The combined financial information for the periods presented may have been different had the companies actually been combined and the sale of our HERE business occurred as at and during those periods. In addition, the unaudited pro forma condensed combined financial information, does not reflect any expected cost savings, synergies, restructuring actions, non-recurring items or one-time transaction related costs that we expect to incur or generate.

	Six Months Ended June 30, 2015		Year Ended December 31, 2014	
Profit/(loss) from continuing operations:				
Nokia historical	$ 591	533	$ 1 547	1 171
Alcatel Lucent historical	(135)	(122)	(45)	(34)
Pro forma(1)	204	184	2 967	2 246
Cash dividends per share:				
Nokia historical			0.16	0.14
Alcatel Lucent historical				
Book value per share:				
Nokia historical(2)	2.74	2.46	2.82	2.33
Alcatel Lucent historical(2)	0.98	0.88	0.81	0.67
Pro forma(3)	4.30	3.85	N/A	N/A
Earnings per share from continuing operations (basic):				
Nokia historical	0.17	0.15	0.41	0.31
Alcatel Lucent historical	(0.04)	(0.04)	(0.03)	(0.02)
Pro forma(1)	0.03	0.03	0.52	0.39
Earnings per share from continuing operations (diluted):				
Nokia historical	0.16	0.14	0.40	0.30
Alcatel Lucent historical	(0.04)	(0.04)	(0.03)	(0.02)
Pro forma(1)	0.03	0.03	0.49	0.37

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(1) Derived from the unaudited pro forma condensed combined financial information included elsewhere in this exchange offer/prospectus.
(2) Book value per share represents equity applicable to equity holders of the parent divided by the weighted average shares outstanding for the period.
(3) Pro forma book value per share represents pro forma equity applicable to equity holders of the parent divided by the pro forma weighted average number of outstanding shares after giving effect to the Exchange Offer and the sale of our HERE business.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

Selected Historical Consolidated Financial Information for Nokia

The following tables set out selected consolidated historical financial information for Nokia. This information is qualified by reference to, and should be read in conjunction with, Nokia s consolidated financial statements and notes thereto as well as the sections entitled Operating and Financial Review and Prospects which are incorporated by reference herein from the Nokia 2014 Form 20-F. The selected consolidated historical income statement and statement of cash flow data for the years ended December 31, 2014, 2013 and 2012 and the consolidated statement of financial position data as of December 31, 2014 and 2013 have been derived from Nokia s audited consolidated financial statements incorporated by reference herein from the Nokia 2014 Form 20-F, prepared in accordance with the IFRS. The consolidated income statement and statement of cash flow data for the year ended December 31, 2011 and the statement of financial position as of December 31, 2012 and 2011 have been derived from Nokia s audited financial statements, which were also prepared in accordance with IFRS and are not incorporated by reference into this exchange offer/prospectus (but available at *www.sec.gov*). The selected consolidated historical income statement and statement of cash flow data for the six month periods ended June 30, 2015 and 2014 and the consolidated statement of financial position as of June 30, 2015 have been derived from Nokia s unaudited financial statements prepared in accordance with IFRS and incorporated herein by reference from Nokia s Report on Form 6-K furnished to the SEC on August 14, 2015.

	Six months ended June 30,		**Year ended December 31,**				
	2015	**2014**	**2014**	**2013**	**2012**	**2011**	**2010[(1)]**
	(in EUR million, except for per share data)						
Consolidated Income Statement Data:							
Net sales	6 405	5 606	12 732	12 709	15 400	15 968	13 586
Operating profit /(loss)	745	526	170	519	(821)	(1 388)	(1 440)
Profit/(loss) from continuing operations	533	84	1 171	41	(1 483)	(1 615)	(1 577)
Profit/(Loss)	526	2 282	3 476	(739)	(3 786)	(1 487)	1 343
Earnings per share from continuing operations basic (in EUR)	0.15	0.02	0.31	0.05	(0.21)	(0.34)	(0.28)
Earnings per share from continuing operations diluted (in EUR)	0.14	0.02	0.30	0.05	(0.21)	(0.34)	(0.28)
Profit/(loss) per share basic (in EUR)	0.14	0.61	0.94	(0.17)	(0.84)	(0.31)	0.50
Profit/(loss) per share diluted (in EUR)	0.14	0.54	0.85	(0.17)	(0.84)	(0.31)	0.50
Cash dividends per share (in EUR)			0.14	0.37		0.20	0.40
Cash dividends per share (in USD)			0.16	0.50		0.25	0.57

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	As of June 30, 2015	As of December 31, 2014	2013	2012	2011	2010(1)
	(in EUR million, except for shares outstanding)					
Consolidated Statement of Financial Position Data:						
Current assets	12 855	13 724	19 143	20 661	25 275	26 987
Non-current assets	7 837	7 339	6 048	9 323	10 950	12 136
Total assets	20 693	21 063	25 191	29 984	36 225	39 123
Total equity	8 979	8 669	6 660	9 239	13 909	16 231
Current liabilities	6 695	7 288	14 178	13 656	16 444	17 204
Non-current liabilities	5 019	5 106	4 353	7 089	5 872	5 688
Total liabilities	11 714	12 394	18 531	20 745	22 316	22 892
Share capital	246	246	246	246	246	246
Weighted average number of shares outstanding basic (million shares)	3 632	3 699	3 712	3 711	3 710	3 709
Weighted average number of shares outstanding diluted (million shares)	3 952	4 132	3 733	3 711	3 710	3 709

(1) The presentation of the 2010 financial statements has been amended to reflect the sale of the Devices & Services business.

	Six months ended June 30, 2015	2014	Year ended December 31, 2014	2013	2012	2011	2010
			(in EUR million)				
Consolidated Statement of Cash Flows Data:							
Net cash from/(used in) operating activities	(457)	652	1 275	72	(354)	1 137	4 774
Net cash from/(used in) investing activities	(244)	1 171	886	(691)	562	1 499	(2 421)
Net cash used in financing activities	(522)	(2 786)	(4 576)	(477)	(465)	(1 099)	(911)

Selected Historical Consolidated Financial Information for Alcatel Lucent

The following tables set out selected consolidated historical financial information for Alcatel Lucent. This information is qualified by reference to, and should be read in conjunction with, Alcatel Lucent s consolidated financial statements and notes thereto, as well as the sections entitled, Operating and Financial Review and Prospects which are incorporated by reference herein from the Alcatel Lucent 2014 Form 20-F. The selected consolidated historical income statement and statement of cash flow data for the years ended December 31, 2014, 2013 and 2012 and the consolidated statement of financial position data as of December 31, 2014 and 2013 have been derived from Alcatel Lucent s audited consolidated financial statements incorporated by reference herein from the Alcatel Lucent 2014 Form 20-F, prepared in accordance with the IFRS. The consolidated income statement and statement of cash flow data for the years ended December 31, 2011 and 2010, and the statement of financial position data as of December 31, 2012, 2011 and 2010, have been derived from Alcatel Lucent s audited financial statements, which were also prepared in accordance with IFRS and are not incorporated by reference into this exchange offer/prospectus (but available at *www.sec.gov*). The unaudited interim condensed consolidated financial statements for the six month periods ended June 30, 2015 and 2014 and the unaudited interim condensed consolidated statement of financial position as of June 30, 2015 have been derived from Alcatel Lucent s unaudited financial statements prepared in accordance with IFRS and incorporated herein by reference from Alcatel Lucent s Report on Form 6-K furnished to the SEC on August 5, 2015 (other than the constant currency statements in the segment and division discussion).

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	Six months ended June 30, 2015	2014	Year ended December 31, 2014	2013	2012	2011	2010
	(in EUR million, except for per share data)						
Consolidated Income Statement Data:							
Revenues	6 685	6 242	13 178	13 813	13 764	14 637	14 943
Income (loss) from operating activities	25	(215)	137	(739)	(1 636)	108	(355)
Income (loss) from continuing operations	(122)	(388)	(34)	(1 269)	(2 727)	287	(699)
Net income (loss)	(136)	(369)	(83)	(1 294)	(2 088)	709	(702)
Basic earnings (loss) per share from continuing operations (in EUR)	(0.04)	(0.14)	(0.02)	(0.53)	(1.11)	0.10	(0.31)
Diluted earnings (loss) per share from continuing operations (in EUR)	(0.04)	(0.14)	(0.02)	(0.53)	(1.11)	0.09	(0.31)
Basic earnings (loss) per share attributable to the equity owners of the parent (in EUR)	(0.05)	(0.13)	(0.04)	(0.54)	(0.84)	(0.31)	0.28
Diluted earnings (loss) per share attributable to the equity owners of the parent (in EUR)	(0.05)	(0.13)	(0.04)	(0.54)	(0.84)	(0.31)	0.26
Dividend per ordinary share (in EUR)							
Dividend per ordinary share (in USD)							

	As of June 30, 2015	As of December 31, 2014	2013	2012	2011	2010
	(in EUR million, except for shares outstanding)					
Consolidated Statement of Financial Position Data:						
Current assets	11 441	11 098	11 744	10 646	11 225	12 775
Non-current assets	11 501	10 362	10 152	10 708	12 971	12 095
Total assets	22 942	21 460	21 896	21 354	24 196	24 870
Total equity	3 322	2 694	3 663	2 683	4 591	4 194
Current liabilities	7 940	7 681	8 279	8 313	8 371	10 078
Non-current liabilities	11 680	11 085	9 954	10 358	11 234	10 598
Total liabilities	19 620	18 766	18 233	18 671	19 605	20 676
Capital stock	142	141	140	4 653	4 651	4 637
Weighted average shares outstanding basic (million shares)	2 787	2 767	2 431	2 397	2 394	2 388
Weighted average shares outstanding diluted (million shares)	2 787	2 767	2 431	2 397	2 701	2 388

	Six months ended June 30, 2015	2014	Year ended December 31, 2014	2013	2012	2011	2010
	(in EUR million)						
Consolidated Statement of Cash Flows Data:							
Net cash provided (used) by operating activities	23	(379)	127	(221)	(144)	80	(222)
Net cash provided (used) by investing activities	(375)	450	235	(1 128)	(1 039)	(775)	922
Net cash provided (used) by financing activities	55	255	(1 383)	2 350	(12)	(1 007)	502

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SELECTED UNAUDITED PRO FORMA COMBINED FINANCIAL INFORMATION

The following selected unaudited pro forma combined financial information is derived from the unaudited pro forma condensed combined financial information included elsewhere in this exchange offer/prospectus.

Nokia s unaudited pro forma condensed combined financial information present how our financial statements may have appeared had the businesses of Nokia and Alcatel Lucent been combined, and had Nokia s capital structure reflected the Completion of the Exchange Offer and had the sale of our HERE business occurred. The unaudited pro forma condensed combined statement of financial position as of June 30, 2015 gives effect to the Exchange Offer and the sale of our HERE business as if the completion of such event had occurred on that date. The unaudited pro forma condensed combined income statements for the six months ended June 30, 2015 and year ended December 31, 2014 give effect to the Exchange Offer as if the completion had occurred on January 1, 2014 and presents our HERE business as a discontinued operation to give pro forma effect to the sale of our HERE business.

The unaudited pro forma condensed combined financial statements reflect the application of pro forma adjustments that are preliminary and are based upon available information and certain assumptions, described in the accompanying notes thereto, that management believes are reasonable under the circumstances. Actual results may differ materially from the assumptions within the accompanying unaudited pro forma condensed combined financial information. The unaudited pro forma condensed combined financial information has been prepared by management for illustrative purposes only and are not necessarily indicative of the financial position or results of operations that would have been realized had the Completion of the Exchange Offer and the sale of our HERE business occurred as of the dates indicated above, nor is it meant to be indicative of any anticipated financial position or future results of operations that we will experience going forward. In addition, the accompanying unaudited pro forma condensed combined income statements does not reflect any expected cost savings, synergies, restructuring actions, non-recurring items or one-time transaction related costs that we expect to incur or generate.

	Six months ended June 30, 2015	**Year ended December 31, 2014**
	(in EUR million, except for per share data)	
Unaudited Pro Forma Combined Income Statement Data:		
Net sales	12 441	24 744
Operating profit	425	886
Profit from continuing operations	184	2 246
Profit from continuing operations attributable to equity holders of the parent basic	192	2 203
Profit from continuing operations attributable to equity holders of the parent diluted	192	2 263
Earnings per share from continuing operations (attributable to equity holders of the parent) per share basic (in EUR)	0.03	0.39
Earnings per share from continuing operations (attributable to equity holders of the parent) per share diluted (in EUR)	0.03	0.37
Weighted average shares outstanding (million shares) basic	5 641	5 708
Weighted average shares outstanding (million shares) diluted	5 658	6 143

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	As of June 30, 2015 *(in EUR million, except for shares outstanding)*
Unaudited Pro Forma Combined Statement of Financial Position Data:	
Current assets	26 775
Non-current assets	26 970
Total assets	53 746
Net assets	22 681
Current liabilities	15 828
Non-current liabilities	15 237
Total liabilities	31 065
Capital and reserves attributable to equity holders of the parent	21 742
Other pro forma data:	
Net cash[(1)]	8 072

(1) Net cash is a non-IFRS financial measure and should not be considered as an alternative to cash and cash equivalents or other financial measure derived in accordance with the IFRS. We present net cash because we believe that it is a useful tool for investors to assess Nokia s liquidity and capital structure. Net cash is defined as total cash and other liquid assets less interest-bearing liabilities. Total cash and other liquid assets is defined as the sum of Investments at fair value through profit and loss, liquid, Available-for-sale investments, liquid assets and Cash and cash equivalents. Interest-bearing liabilities is defined as the sum of Long-term interest bearing liabilities, Current portion of long-term interest-bearing liabilities and Short-term borrowings. Each component of net cash is presented within Nokia s Statement of Financial Position. Net cash has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our liquidity position as reported under IFRS. Some of these limitations include: although we include only liquid assets in the calculation, not all assets included in the calculation constitute cash or cash equivalents; the calculation does not reflect all of our liabilities; and the calculation does not distinguish the maturity of our indebtedness included in the calculation. The following table sets forth the calculation of pro forma combined net cash:

EURm	**Unaudited Pro Forma Combined as of June 30, 2015**
Investments at fair value through profit and loss, liquid assets	570
Available-for-sale investments, liquid assets	3 834
Cash and cash equivalents	10 530
	14 934
Long-term interest-bearing liabilities	4 306
Current portion of long-term interest-bearing liabilities	2 097
Short-term borrowings	459
	6 862
Net cash	**8 072**

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Range of possible offer acceptance levels

The unaudited pro forma financial information presented above has been prepared assuming that Nokia acquires 100% of Alcatel Lucent through the Exchange Offer and that a squeeze-out is not effected.

The following sensitivity analysis provides a range of potential outcomes, assuming the minimum ownership interest in Alcatel Lucent of 51%, the ownership at the midpoint of the range of 75% and the impact of the squeeze-out assuming 95% of the outstanding shares are tendered in the Exchange Offer. In the 51% and 75% scenarios, 49% and 25%, respectively, of the carrying amount of OCEANE convertible bonds were assumed to remain outstanding. In the 95% scenario, Nokia has assumed that the remaining 5% is purchased in cash to illustrate the cash consideration alternative and OCEANE convertible bonds fully convert. The adjustments to be made to Pro forma adjustments column in the unaudited pro forma condensed combined statement of financial position as of June 30, 2015 and the unaudited pro forma condensed combined income statements for the six months ended June 30, 2015 and the year ended December 31, 2014 would be as follows:

	51% Ownership of Alcatel Lucent	75% Ownership of Alcatel Lucent	100% Ownership of Alcatel Lucent as a Result of a Squeeze-Out
EURm			
Assuming purchase price consideration of:	6 575	9 669	12 247
Increase (decrease):			
Cash (cash consideration for squeeze-out)			(645)
Goodwill	(3 297)	(1 513)	(408)
Current portion of long-term interest bearing liabilities	1 379	704	
Capital reserves attributable to equity holders of the parent	(6 317)	(3 223)	(237)
Non-controlling interests	1 641	1 006	
Increase (decrease):			
Profit (loss) from continuing operations for the six months ended June 30, 2015 attributable to:			
Equity holders of the parent	154	79	
Non-controlling interests	(154)	(79)	
Profit (loss) from continuing operations for the year ended December 31, 2014 attributable to:			
Equity holders of the parent	248	127	
Non-controlling interests	(248)	(127)	
Earnings per share from continuing operations per share basic in EUR for the six months ended June 30, 2015	0.04	0.02	0.00
Earnings per share from continuing operations diluted in EUR for the six months ended June 30, 2015	0.04	0.02	0.00
Weighted average number of shares outstanding (000s shares) basic for six months ended June 30, 2015	(984 410)	(502 250)	(100 450)
Weighted average number of shares outstanding (000s shares) diluted for six months ended June 30, 2015	(987 371)	(503 760)	(100 752)
Earnings per share from continuing operations per share basic in EUR for the year ended December 31, 2014	0.13	0.06	0.01
Earnings per share from continuing operations diluted in EUR for the year ended December 31, 2014	0.12	0.06	0.01
Weighted average number of shares outstanding (000s shares) basic for the year ended December 31, 2014	(984 410)	(502 250)	(100 450)
Weighted average number of shares outstanding (000s shares) diluted for the year ended December 31, 2014	(985 719)	(502 918)	(100 584)

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RISK FACTORS

An investment in Nokia Shares or Nokia ADSs involves risks, some (but not all) of which are related to the Exchange Offer. In considering whether or not to tender your Alcatel Lucent Securities in the U.S. Offer, you should carefully consider the information set forth under this section of this exchange offer/prospectus, the risk factors contained in the Alcatel Lucent 2014 Form 20-F (which is incorporated by reference into this exchange offer/prospectus), the risk factors contained in the Nokia 2014 Form 20-F (which is incorporated by reference into this exchange offer/prospectus) and the other information included or incorporated by reference into this exchange offer/prospectus. Each of the matters described in these risk factors could have a material adverse effect on the businesses, financial condition and/or results of operations of Nokia and Alcatel Lucent (together with their respective subsidiaries) individually or as a combined company and on the market price of the Nokia Shares, the Nokia ADSs and the Alcatel Lucent Securities.

Risk Factors Relating to the Exchange Offer and the Squeeze-out

The exchange ratio of the Exchange Offer is fixed and will not be adjusted in case of any changes in the price of the relevant securities. Because the market price of Nokia Shares and Nokia ADSs fluctuates, holders of Alcatel Lucent Securities cannot be certain of the market value of the Nokia Shares or Nokia ADSs that will be issued in connection with the Exchange Offer.

Following the Completion of the Exchange Offer, you will receive (i) 0.5500 Nokia Share for every Alcatel Lucent Share you validly tender into the Exchange Offer, (ii) 0.5500 Nokia ADS for every Alcatel Lucent ADS you validly tender into the Exchange Offer and (iii) 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE and 0.7040 Nokia Share for every 2020 OCEANE you validly tender into the Exchange Offer. These exchange ratios are fixed and will not be adjusted in case of any changes in the price of Nokia Shares, Nokia ADSs or Alcatel Lucent Securities. If the price of Nokia Shares or Nokia ADSs decreases, which may occur as the result of a number of reasons (many of which are out of our control), including as a result of the risks described herein, holders of Alcatel Lucent Securities will receive less value for their Alcatel Lucent Securities than the value calculated pursuant to the exchange ratio on the date the Exchange Offer was announced. Because the Exchange Offer may not be completed until the Conditions have been satisfied or waived (please see The Exchange Offer Terms of the Exchange Offer Conditions to the Exchange Offer), a significant period of time may pass between the commencement of the Exchange Offer and the time that we accept Alcatel Lucent Securities for exchange. Therefore, at the time you tender your Alcatel Lucent Securities pursuant to the U.S. Offer, you will not know the exact market value of the Nokia Shares or Nokia ADSs that will be issued if we accept the Alcatel Lucent Securities for exchange. However, tendered Alcatel Lucent Securities may be withdrawn at any time prior to the time they are accepted for exchange pursuant to the Exchange Offer (except during any subsequent offering period or any period during which the tendered Alcatel Lucent Securities are being counted).

Holders of Alcatel Lucent Securities are urged to obtain current market quotations for Nokia Shares, Nokia ADSs and the relevant Alcatel Lucent Securities when they consider whether to tender their Alcatel Lucent Securities pursuant to the Exchange Offer.

The value of the Nokia Shares and the Nokia ADSs may decrease.

It is likely that the price of the Nokia Shares and the Nokia ADSs will fluctuate, even significantly from time to time, and may not always accurately reflect the value of Nokia and its subsidiaries. The value of the Nokia Shares and the Nokia ADSs may decrease. The prices that investors may realize for their holdings of Nokia Shares and Nokia ADSs, when they are able to do so, may be influenced by a large number of factors, including factors beyond our control. In addition, stock markets have in the recent past experienced extreme price and volume fluctuations, which, as well as general economic and political conditions, could have a material adverse effect on the market price of the Nokia Shares or the Nokia ADSs.

The issuance of Nokia Shares pursuant to the Exchange Offer could lead to the share price of Nokia Shares being adversely affected.

In connection with the Completion of the Exchange Offer, Nokia expects to issue approximately Nokia Shares. The issuance of these new Nokia Shares could depress the market price of the existing Nokia Shares and Nokia ADSs.

Following the Exchange Offer, Nokia may be unable to successfully implement its business plans or successfully integrate Alcatel Lucent s business or achieve the targeted synergies and other efficiencies.

Nokia and Alcatel Lucent currently operate as independent public companies. After the Exchange Offer, Nokia will be required to allocate significant resources, including management attention, to integrating Alcatel Lucent s business and implementing its post-acquisition business plans. Achieving the anticipated benefits of the Alcatel Lucent acquisition will depend largely on the timely and efficient integration of the business operations of Nokia and Alcatel Lucent and our ability to successfully implement our post-acquisition business plans. The process of integrating Alcatel Lucent into Nokia s existing business involves certain risks and uncertainties, and there can be no assurances that Nokia will be able to integrate the two businesses in the manner or within the timeframe currently anticipated. Potential challenges that Nokia may encounter during the integration process include the following:

- the complexities associated with integrating Alcatel Lucent, while simultaneously continuing to provide Nokia s high quality products and services on a consistent basis;

- the complexities of integrating Alcatel Lucent, which is a company with different products, services, markets and customers as well as conducting the business that includes areas that are new to Nokia;

- the challenges relating to the consolidation of corporate, financial, control and administrative functions, including cash management, foreign exchange/hedging operations, internal and other financing, insurance, financial control and reporting, information technology, communications, compliance and other administrative functions;

- the challenges relating to the coordination of research and development, marketing and other support functions;

- the inability to retain or motivate key employees of the combined company and recruit needed resources;

- disruptions caused for instance by company reorganizations triggered by the acquisition that may result in inefficiency in the organization, for instance there can be no assurance that Nokia will be able to successfully, smoothly or timely implement, the planned structure announced on October 7, 2015 or that the planned structure will result in the intended benefits;

- the inability to achieve the targeted organizational changes, efficiencies or synergies in the targeted time or extent or the costs associated with implementing such changes;

- possible contractual issues with customers, vendors, licensees or other contractual parties, including, for instance, claims regarding ceasing or renegotiation of existing contracts;

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- the inability to rationalize as required product lines or retire legacy products and related after-sales services as a result of pre-existing customer commitments;

- loss of, or lower volume of business from, key customers, or the inability to renew agreements with existing customers or achieve new customer relationships, including limitations linked to customer policies as regards to aggregate vendor share or supplier diversity policy;

- integration and implementation costs resulting from the acquisition of Alcatel Lucent;

- conditions imposed by laws, regulators or industry standards on our businesses or adverse regulatory or industry developments or litigation affecting the combined company, as a result of the Exchange Offer or otherwise;

- higher than anticipated costs associated with the transaction, including transaction costs;

- potential unknown or larger than estimated liabilities including those related to compliance issues and pension liabilities and unforeseen increased expenses, delays or regulatory conditions associated with the integration and Nokia s ability to mitigate anticipated and contingent liabilities;

- potential deterioration of Nokia s and Alcatel Lucent s brands; and

- performance shortfalls as a result of the diversion of management s attention caused by completing the Exchange Offer and integrating Alcatel Lucent.

For these reasons, among others, you should be aware that it is possible that the integration process following the Exchange Offer could result in the distraction of Nokia s management, the disruption of Nokia s ongoing business or inconsistencies in its services, standards, controls, procedures and policies, any of which could adversely affect the ability of Nokia to maintain relationships with customers, vendors and employees or could otherwise have a material adverse effect on the business, financial conditions and/or results of operations of Nokia.

Nokia s anticipated benefits from acquiring Alcatel Lucent are based on estimates that are dependent on external factors, and may not be achieved within the envisioned timeframe or at all.

There can be no assurance that Nokia will achieve any of the anticipated benefits of acquiring Alcatel Lucent, including business growth opportunities, cost synergy benefits, increased profitability and other synergy benefits described elsewhere in this exchange offer/prospectus within the timeframe currently estimated by Nokia, or that any such benefits can be achieved at all. The anticipated benefits of acquiring Alcatel Lucent depend, in part, on the efficiency improvement measures that both Nokia and Alcatel Lucent have individually taken in recent years, and are expected to continue to undertake in the near future. While some of these measures have already generated cost savings and operational efficiencies, the full intended benefits of these measures, or any additional initiatives that Nokia or the combined company may take in the future, may not be realized (see Nokia s and Alcatel Lucent s annual reports on Form 20-F for more information about the efficiency improvement measures). Furthermore, there can be no assurance that adverse developments in general economic conditions will not limit, eliminate or delay Nokia s or the combined company s ability to realize anticipated benefits, which could have a material adverse effect on the business, financial condition and/or results of operations of Nokia or Alcatel Lucent.

In addition, the anticipated cost reductions and other benefits expected to arise from acquiring Alcatel Lucent and the integration of Alcatel Lucent into Nokia s existing business as well as related costs to implement such measures are derived from the estimates of Nokia and such estimates are inherently uncertain. The estimates included in this exchange offer/prospectus are based on a number of assumptions made in reliance on the information available to Nokia and management s judgments based on such information, including, without limitation, information relating to the business operations, financial condition and results of operations of Alcatel Lucent. While Nokia believes these estimated

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synergy benefits and related costs are reasonable, the underlying assumptions are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive factors, risks and uncertainties that could cause the actual results to differ materially from those contained in the synergy benefit and related cost estimates.

The Completion of the Exchange Offer would constitute a change of control of Alcatel Lucent which would give rise to an obligation to redeem some of Alcatel Lucent s existing indebtedness.

Alcatel Lucent had approximately EUR 3.6 billion aggregate principal amount of outstanding senior notes as of June 30, 2015, of which EUR 2.1 billion contain a change of control provision. Completion of the Exchange Offer would constitute a change of control under the terms of some of Alcatel Lucent s senior notes. Within 30 days following the change of control, Alcatel Lucent must give notice to each holder of such senior notes and offer to repurchase the relevant notes in cash equal to 101% of the aggregate principal amount of the notes repurchased plus accrued and unpaid interest on a date specified in the notice, which must be no earlier than 30 days and no later than 60 days following the day such notice is distributed. Alcatel Lucent may also make a change of control offer in advance of the change of control conditioned on the consummation of the change of control on the basis that a definitive agreement for the change of control is in place. Alcatel Lucent may not be able to obtain sufficient capital to repurchase or refinance Alcatel Lucent s outstanding notes in these circumstances. Failure to repurchase the notes as required would result in an event of default under the terms of the notes, which could put Alcatel Lucent in default under agreements governing its other indebtedness, including the acceleration of the payment of any borrowings thereunder, and may have an adverse effect on the value of Alcatel Lucent Securities and, indirectly, on the value of the Nokia Shares.

The Completion of the transactions contemplated by the Exchange Offer would constitute a change of control of Alcatel Lucent which would give rise to an obligation to redeem all of the OCEANEs.

If the Exchange Offer is successful (resulting in a change of control of Alcatel Lucent under the terms of the OCEANEs), each holder of the OCEANEs who did not tender their OCEANEs into the Exchange Offer may request that Alcatel Lucent redeem their OCEANEs for cash at par plus, as applicable, accrued interest from the last interest payment date for each series of the OCEANEs until the early redemption date. Assuming none of the OCEANEs holders tender their OCEANEs in the Exchange Offer, and 100% of the OCEANEs holders instead request early redemption of their OCEANEs following the change of control of Alcatel Lucent, Alcatel Lucent would have to pay, based on an early repayment date of March 1, 2016, a total amount of up to EUR 1 781 million (including accrued interest). Alcatel Lucent may not be able to obtain sufficient capital to repurchase or refinance the OCEANEs in these circumstances. Failure to repurchase the OCEANEs as required may result in an event of default under the terms of such series of the OCEANEs, which could put Alcatel Lucent in default under agreements governing its other indebtedness, including the acceleration of the payment of any borrowings thereunder, and may have an adverse effect on the value of Alcatel Lucent Securities and, indirectly, on the value of the Nokia Shares.

The Exchange Offer will trigger certain provisions contained in certain Alcatel Lucent agreements that may require Alcatel Lucent to make change of control payments or permit a counterparty to an agreement with Alcatel Lucent to terminate that agreement.

Alcatel Lucent is a party to various agreements with third parties, including joint venture agreements, certain financing facilities, pension funds agreements, contracts for the performance of engineering and related work/services, IT contracts, technology and intellectual property rights licenses as well as employment agreements that contain change of control provisions that will be triggered upon the

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Completion of the Exchange Offer. Agreements with change of control provisions typically provide for or permit the termination of the agreement upon the occurrence of a change of control of one of the parties, which can be waived by the relevant counterparties. If Nokia and Alcatel Lucent determine that one or more of such waivers are necessary, Alcatel Lucent will make reasonable efforts to seek and obtain these waivers. Although Nokia and Alcatel Lucent believe the likelihood of a material consent being withheld is low, there can be no assurance that such consents will be obtained at all or on favorable terms. The inability to obtain waivers from more than one relevant counterparty could have a material adverse effect on the business, financial condition and/or results of operations at Nokia and Alcatel Lucent.

We have not verified the reliability of the Alcatel Lucent information included in, or incorporated by reference into, this exchange offer/prospectus and, as a result, our estimates of the impact of Completion of the Exchange Offer on the pro forma financial information in this exchange offer/prospectus may be incorrect.

In respect of information relating to Alcatel Lucent presented in, or incorporated by reference into, this exchange offer/prospectus, including all Alcatel Lucent financial information, we have relied exclusively upon publicly available information, including information publicly filed by Alcatel Lucent with securities regulatory authorities. Although we have no knowledge that would indicate that any statements contained in this exchange offer/prospectus based upon such reports and documents are inaccurate, incomplete or untrue, we were not involved in the preparation of such information and statements and, therefore, cannot verify the accuracy, completeness or truth of such information or any failure by Alcatel Lucent to disclose events that may have occurred, but that are unknown to us, that may affect the significance or accuracy of any such information. Alcatel Lucent has not provided representatives of Nokia with access to Alcatel Lucent s accounting records, and, therefore, we have not independently verified certain adjustments and assumptions with respect to Alcatel Lucent s financial information in preparing the pro forma financial information presented in this exchange offer/prospectus. Any financial information regarding Alcatel Lucent that may be detrimental to the combined entity and that has not been publicly disclosed by Alcatel Lucent, or errors in our estimates, may have an adverse effect on the benefits we expect to achieve through the Exchange Offer and may result in material inaccuracies in the pro forma financial information included in this exchange offer/prospectus.

The unaudited pro forma condensed combined financial information in this exchange offer/prospectus is presented for illustrative purposes only and may differ materially from the operating results and financial condition of the combined company following completion of the pro forma events.

The unaudited pro forma condensed combined financial information in this exchange offer/prospectus is presented for illustrative purposes only and is not necessarily indicative of what the combined company s actual financial position or results of operations would have been had the pro forma events been completed on the dates indicated. In addition, the unaudited pro forma condensed combined financial information does not purport to project the future financial position or operating results of the combined company. The preparation of the pro forma condensed combined financial information is based upon available information and certain assumptions and estimates that Nokia and Alcatel Lucent currently believe are reasonable. The unaudited pro forma condensed combined financial information reflects adjustments, which are based upon preliminary estimates, to allocate the purchase price to Alcatel Lucent s net assets. The purchase price allocation reflected in this exchange offer/prospectus is preliminary, and the final allocation of the purchase price will be based upon the actual purchase price and the fair value of the assets and liabilities of Alcatel Lucent as of Completion of the Exchange Offer. In addition, subsequent to the Completion of the Exchange Offer, there may be further refinements of the purchase price allocation as additional information becomes available. Accordingly, the final purchase accounting adjustments may differ materially from the pro forma adjustments reflected in this

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exchange offer/prospectus. See the section entitled Unaudited Pro Forma Condensed Combined Financial Information.

The Exchange Offer will affect the trading markets for any Alcatel Lucent Securities not acquired by Nokia and, as a result, their liquidity and market value could be adversely affected.

The Completion of the Exchange Offer is conditioned, among others, upon the satisfaction of the Minimum Tender Condition or, if waived by Nokia in its sole discretion, the crossing of the Mandatory Minimum Acceptance Threshold. Nokia s acquisition of Alcatel Lucent Securities below the squeeze-out threshold would decrease both the number of Alcatel Lucent Securities that might otherwise trade publicly and the number of holders of Alcatel Lucent Securities, which could, in turn, also adversely affect the liquidity and market value of the Alcatel Lucent Securities not acquired in the Exchange Offer. In addition, as promptly as practicable following Completion of the Exchange Offer and subject to applicable law and Euronext Paris rules, Nokia intends to request Euronext Paris to delist the Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris. Nokia also intends, subject to applicable law, to cause Alcatel Lucent to terminate the Alcatel Lucent deposit agreement and intends to seek to delist the Alcatel Lucent ADSs from the NYSE and, when possible, to deregister the Alcatel Lucent Shares and Alcatel Lucent ADSs under the Exchange Act. This could, in turn, also adversely affect the liquidity and market value of the Alcatel Lucent Securities not acquired in the Exchange Offer.

On opening of the first U.S. business day following the ADS Tender Deadline, the NYSE may suspend trading in the Alcatel Lucent ADSs pending public announcement of the results of the Exchange Offer. Because the results of the Exchange Offer are not expected to be announced up to nine French trading days after the Expiration Date (although we expect the announcement to be made approximately four to five French trading days after the Expiration Date), holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the Exchange Offer may be unable to trade Alcatel Lucent ADSs on the NYSE during this period. Further, if fewer than 600 000 Alcatel Lucent ADSs would remain outstanding following Completion of the Exchange Offer, the NYSE may not resume trading in the Alcatel Lucent ADSs even after the announcement of the results of the Exchange Offer. Holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the U.S. Offer may therefore be unable to trade their Alcatel Lucent ADSs on the NYSE at any point following the Expiration Date.

Alcatel Lucent shareholders will have a reduced ownership and voting interest in the combined company.

Alcatel Lucent shareholders currently have the right to vote in the election of directors of Alcatel Lucent and on certain other matters affecting Alcatel Lucent. Following the Exchange Offer, each Alcatel Lucent shareholder who tendered his or her Alcatel Lucent Shares or Alcatel Lucent ADSs into the Exchange Offer will become a shareholder of Nokia with a percentage ownership of the combined company that is much smaller than the shareholder s percentage ownership of Alcatel Lucent. After Completion of the Exchange Offer and assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any, former holders of Alcatel Lucent Securities are expected to own approximately 33.5% of the issued and outstanding Nokia Shares on a fully diluted basis (based on the number of shares outstanding on December 31, 2014). Because of this, Alcatel Lucent s shareholders, as a group, will have substantially less influence on the management and policies of Nokia than they currently have, as a group, with respect to the management and policies of Alcatel Lucent.

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The issuance of additional Nokia Shares may dilute all other shareholdings.

Future issuances of Nokia Shares or other securities may dilute the holdings of shareholders and could materially and adversely affect the price of the Nokia Shares, including the Nokia Shares offered in the Exchange Offer. Nokia may issue additional Nokia Shares or securities convertible into Nokia Shares through directed offerings without pre-emptive rights for existing holders in connection with future acquisitions, any share incentive or share option plan or otherwise. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Nokia Shares, as well as the earnings per share and the net asset value per share.

Listing of Nokia Shares on Euronext Paris may not succeed as expected or the listing may not take place at all.

In conjunction with the Exchange Offer, Nokia has applied for the Nokia Shares (including the Nokia Shares to be issued in connection with the Exchange Offer) to be listed on Euronext Paris. Nokia expects to request that Admission be approved to take effect prior to the Completion of the Exchange Offer. However, the Admission may be delayed or may not be approved in all respects or at all. Failure to list the Nokia Shares on Euronext Paris in the manner expected by Nokia s management, including a delay in such listing, may have a material adverse effect on the completion of the transactions contemplated by the Exchange Offer and on Nokia s and Alcatel Lucent s respective businesses, financial conditions and results of operations. In addition, as a consequence of the listing of the Nokia Shares on Euronext Paris, Nokia will be expected to comply with the requirements applicable to issuers whose shares are listed on Euronext Paris. Compliance with said requirements may give rise to increased administrative work and costs, which may have an adverse effect on the financial position and results of operations of Nokia. Moreover, Nokia cannot predict the extent to which liquidity will develop on Euronext Paris, especially given the existing listing of the Nokia Shares on Nasdaq Helsinki and Nokia ADSs on the NYSE. This could reduce the value of your Nokia Shares and impair your ability to sell your Nokia Shares at the time or price at which you wish to sell them. A lack of liquidity on Euronext Paris may also impair Nokia s ability to raise capital by selling Nokia Shares and may impair Nokia s ability to acquire or invest in other companies, products or technologies by using Nokia Shares as consideration.

Some of Alcatel Lucent s directors and executive officers may have financial interests in the Exchange Offer that are different from or are in addition to those of holders of Alcatel Lucent Securities.

Certain members of the board of directors and management of Alcatel Lucent participated in determining the terms of the Exchange Offer. These individuals may have certain interests in the Exchange Offer that are different from, or in addition to, the interests of holders of Alcatel Lucent Securities generally and that may have caused them to view the proposed transaction more favorably and/or differently than you might.

Information on the interests of executive officers and directors of Alcatel Lucent in the Exchange Offer is described in Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to the holders of Alcatel Lucent Securities together with this exchange offer/prospectus and is incorporated herein by reference.

Holders of Nokia ADSs may not be able to exercise voting rights or receive distributions as readily as holders of Nokia Shares.

Holders of Nokia Shares and Nokia ADSs may have to provide certain beneficial ownership information in order to be able to exercise voting rights in respect of their Nokia Shares and to exercise the voting rights of the Nokia Shares underlying their Nokia ADSs. In addition, holders of Nokia ADSs who would like to vote with their underlying Nokia Shares at general meetings of Nokia s shareholders must instruct the Nokia depositary on how to vote these underlying Nokia Shares. Neither Nokia nor the Nokia depositary can guarantee that you will receive the notice for any general meeting or any voting materials provided by the Nokia depositary in time to ensure that you are able to instruct the Nokia depositary to vote the Nokia Shares represented by your Nokia ADSs. Furthermore, the Nokia depositary and its agents are not responsible for failure to carry out voting instructions or for the manner of carrying out voting instructions. Therefore, there is a risk that your vote may not be carried out in the manner intended and, in such instance, there would be no recourse available to you. You also may not receive the distributions that Nokia makes on the Nokia Shares or any value for them if it is illegal or impracticable for the Nokia depositary to make them available to you.

Upon your receipt of Nokia Shares in the U.S. Offer, you will become a shareholder in Nokia, a Finnish corporation, which may change certain shareholder rights and privileges you hold as a shareholder of Alcatel Lucent, a French corporation.

Nokia is a Finnish corporation and is governed by the laws of the Republic of Finland, its articles of association and the rules and regulations applicable to it as a result of the listing of the Nokia Shares on relevant markets from time to time, such as the rules of the Nasdaq Helsinki and the NYSE. Finnish law extends to shareholders certain rights and privileges that may not exist under French law and, conversely, may not extend certain rights and privileges that you currently have as a shareholder of Alcatel Lucent, which is governed by the laws of the French Republic and Alcatel Lucent s articles of association. For a comparison of the rights of Nokia shareholders with the rights of Alcatel Lucent shareholders, please see Comparison of Rights of Holders of Nokia Shares and Alcatel Lucent Shares.

You may be forced to transfer your Alcatel Lucent Securities to Nokia if Nokia conducts a squeeze-out under French law or takes other steps to consolidate its ownership of Alcatel Lucent.

If, at the Completion of the Exchange Offer or the subsequent offering period, if any, Nokia owns 95% or more of the share capital and voting rights of Alcatel Lucent (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining outstanding Alcatel Lucent Shares. In addition, if, at the Completion of the Exchange Offer or the subsequent offering period, if any, Nokia owns 95% or more of the sum of the outstanding Alcatel Lucent Shares and the Alcatel Lucent Shares issuable upon conversion of all of the OCEANEs then outstanding (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation), Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out for the remaining OCEANEs.

If Nokia owns less than 95% of the share capital and voting rights of Alcatel Lucent immediately after the completion of the subsequent offering period, then Nokia reserves the right, subject to applicable law, to (i) commence a buy-out offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 236-3 of the AMF General Regulation if at any time after the Completion of the Exchange Offer it owns 95% or more of the voting rights of Alcatel Lucent; (ii) commence at any time a simplified offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 233-1 et seq. of the AMF General Regulation; (iii) purchase Alcatel Lucent Securities on the market (iv) cause Alcatel Lucent to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent; or (v) take any other steps to consolidate its ownership of Alcatel Lucent. We do not currently intend to structure any of the foregoing steps so that it would result in the OCEANEs becoming convertible bonds of Nokia Corporation, becoming debt obligations of Nokia Corporation or otherwise convertible into Nokia Shares or Nokia ADSs.

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In addition, Nokia reserves the right, at any time after the Completion of the Exchange Offer or the subsequent offering period, as applicable, and subject to applicable law, to cause Alcatel Lucent to redeem at par value plus accrued interest from the date the interest was last paid, to the date set for the early redemption all of the outstanding 2018 OCEANEs, 2019 OCEANEs or 2020 OCEANEs, if less than 15% of the issued OCEANEs of any such series remain outstanding.

As a result of some of the foregoing steps, you may be forced to transfer your Alcatel Lucent Securities to Nokia by operation of law or otherwise.

Any failure by Nokia to promptly complete the squeeze-out of the remaining outstanding Alcatel Lucent Securities could adversely affect the market value of the Nokia Shares and the Nokia ADSs, and Nokia may be unable to fully realize the anticipated benefits of the Exchange Offer.

The Completion of the Exchange Offer is conditioned upon the satisfaction of the Minimum Tender Condition or, if waived by Nokia in its sole discretion, the crossing of the Mandatory Minimum Acceptance Threshold. Thus, at the Completion of the Exchange Offer, Nokia may own more than 50% but less than 95% of the share capital and voting rights of Alcatel Lucent Shares. Pursuant to the AMF General Regulation, Nokia must own 95% or more of the share capital and voting rights of Alcatel Lucent to implement a squeeze-out of the remaining outstanding Alcatel Lucent Shares, and 95% or more of the sum of the outstanding Alcatel Lucent Shares and the Alcatel Lucent Shares issuable upon conversion of all of the OCEANEs to implement a squeeze-out of the remaining outstanding OCEANEs (Alcatel Lucent Shares held in treasury being considered as held by Nokia for the purpose of the calculation). In addition, under French law, a squeeze-out must be implemented within three months after the expiration of a public offer period or the subsequent offering period, if any, for Alcatel Lucent Securities, such as the Exchange Offer.

Any temporary or permanent delay in acquiring all Alcatel Lucent Securities could adversely affect Nokia s ability to integrate Alcatel Lucent s business, including achieving targeted business benefits and synergies, as well as the market value of the Nokia Shares and Nokia ADSs and Nokia s access to capital and other sources of funding on acceptable terms.

If the Alcatel Lucent Shares remain listed on Euronext Paris for a significant period of time following Completion of the Exchange Offer, AMF may not allow a squeeze-out of the remaining outstanding Alcatel Lucent Securities or Euronext Paris may refuse to delist Alcatel Lucent Shares, which would adversely affect Nokia s ability to integrate Alcatel Lucent s business into the Nokia group. In addition, Nokia may be unable to delist Alcatel Lucent ADSs from the NYSE or deregister Alcatel Lucent Shares and Alcatel Lucent ADSs under the Exchange Act, which would result in more onerous regulatory compliance obligations for the combined company and affect Nokia s ability to fully integrate Alcatel Lucent s business into Nokia group.

Consummation of the Exchange Offer may result in adverse tax consequences to Nokia resulting from a change of ownership of Alcatel Lucent.

We have not had access to certain information concerning Alcatel Lucent s tax situation. It is possible that the Completion of the Exchange Offer may result in adverse tax consequences arising from a change of ownership of Alcatel Lucent. The tax consequences of a change of ownership of a corporation can lead to an inability to carry-over certain tax attributes, including, but not limited to, tax losses, tax credits and/or tax basis of assets. In addition, the change of ownership may result in other tax costs not normally associated with the ordinary course of business. Such other tax costs include, but are not limited to, stamp duties, land transfer taxes, franchise taxes and other levies. The fact that Nokia is unaware of information relevant to a determination of the potential tax consequences and related costs represents an additional transaction risk.

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Certain shareholders may be unable to exercise their pre-emptive rights.

Certain holders of Nokia Shares or Nokia ADSs resident in, or with a registered address in, certain jurisdictions other than Finland, France, or the United States, may not be able to exercise their pre-emptive rights in respect of the Nokia Shares, including the Nokia Shares offered in the Exchange Offer, in any future offerings unless a registration statement, or the equivalent thereof under the applicable laws of their respective jurisdictions, is effective with respect to such Nokia Shares or an exemption from any registration or similar requirements under the applicable laws of their respective jurisdictions is available. In such cases, holders of Nokia Shares or Nokia ADSs who cannot exercise their pre-emptive rights may experience dilution in their holdings in Nokia. Further, if the number of holders of Nokia Shares or Nokia ADSs who cannot exercise their pre-emptive rights is large and the subscription rights of holders of Nokia Shares or Nokia ADSs are sold on the market, this could have an adverse effect on the price of the subscription rights.

Future sales of Nokia Shares may depress the price of the Nokia Shares.

The market price of the Nokia Shares, including the Nokia Shares offered through the Exchange Offer, could decline as a result of sales of a large number of Nokia Shares in the market after the Exchange Offer or the perception that these sales could occur. These sales, or the possibility that these sales may occur, could also make it more difficult for Nokia to sell equity securities in the future at a time and price that it deems appropriate.

The amount of dividend and equity return distributed to shareholders for each financial period is uncertain.

Nokia cannot assure that it will pay dividends or equity return on the shares issued by it (including with respect to the capital optimization plans described in The Transaction Intentions of Nokia over the next twelve months Dividend Policy), nor is there any assurance as to the amount of any dividend or return of equity it might pay. The payment and the amount of any dividend or return of equity will be subject to the discretion of Nokia s board of directors and, ultimately, the general meeting of Nokia s shareholders and will depend on available cash balances, retained earnings, anticipated cash needs, the results of Nokia s operations, its financial condition and any loan agreement restrictions binding Nokia as well as other relevant factors. See The Transaction Intentions of Nokia over the next twelve months Dividend Policy and Description of the Nokia American Depositary Shares Dividends and Distributions .

Risk Factors Relating to Nokia s Business and Financing

Should the current uncertain market conditions continue or deteriorate, Nokia or the combined company may not be able to receive sufficient financing.

General uncertainty as well as adverse developments in the financial market and general economic conditions, in particular, effects of the continued uncertainty or worsening of the current economic and financial situation, for instance in Greece and Puerto Rico, could have a material adverse effect on Nokia s ability to obtain sufficient financing needed by Nokia to carry out its business after Completion of the Exchange Offer. The uncertain market conditions may mean that the price of the financing needed by Nokia will increase and that it will be less readily available. Nokia could, at any given point in time, encounter difficulties in raising funds and, as a result, lack the access to liquidity it needs, which in turn may have a material adverse effect on the business, financial condition and/or results of operations of Nokia and Alcatel Lucent.

Nokia s or the combined company s ability to make scheduled payments on its debt is subject to general economic, financial, competitive, market, regulatory and other factors that may be beyond its control. There can be no assurance that Nokia s or the combined company s operations will continue to

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generate sufficient cash flow to allow it to service its debt, to fund its working capital, pension programs, capital expenditure and research and development requirement and to engage in future acquisitions. Failure to do so could have a material adverse effect on the business, financial condition and/or results of operations of Nokia and Alcatel Lucent.

Nokia s or the combined company s credit ratings may not reflect all risks and may not improve in the future.

Moody s and Standard & Poor s have assigned credit ratings to Nokia. These ratings may not reflect the potential impact of all risks relating to Nokia s business or the potential impact of the combination with Alcatel Lucent. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Should Nokia s credit rating be downgraded, this could increase the financial costs of Nokia and thereby have a material adverse effect on the business, financial condition and/or results of operations of Nokia and Alcatel Lucent.

Nokia has set a goal of re-establishing its investment grade credit rating. Although Moody s and Standard & Poor s upgraded Nokia s credit rating in 2014 with a positive outlook, there can be no assurance that Nokia or the combined company may in the future achieve an investment grade credit rating at the targeted time or at all. Failure to obtain an investment grade credit rating may have a material adverse effect on the business, financial condition and/or results of operations of Nokia and Alcatel Lucent.

In addition to the risks described herein, you should read and consider risk factors specific to Nokia s businesses that will also affect the combined company after the Exchange Offer, described in the Nokia 2014 Form 20-F or in Nokia s Report on Form 6-K, furnished to the SEC on August 14, 2015 and all of which are incorporated by reference into this exchange offer/prospectus.

Risk Factors Relating to Alcatel Lucent s Business

In addition to the risks described herein, you should read and consider risk factors specific to Alcatel Lucent s businesses that will also affect the combined company after the Exchange Offer, described in the Alcatel Lucent 2014 Form 20-F or in Alcatel Lucent s Report on Form 6-K, furnished to the SEC on August 5, 2015 and all of which are incorporated by reference into this exchange offer/prospectus (other than the constant currency statements in the segment and division discussion).

Risk Factors Relating to the Proposed Sale of our HERE business

The proposed sale of Nokia s HERE business may not be completed in a timely manner, or at all.

The outcome, transaction timeline and closing of the proposed sale of Nokia s HERE business may not materialize as expected, or at all. The conditions precedent for the sale of the HERE business, including regulatory conditions, may fail to be satisfied, and thus the transaction may fail to close. In addition, in connection with the sale of Nokia s HERE business, the intellectual property portfolio of HERE is transferred to the buyers of the business and Nokia would no longer benefit from its use.

Furthermore, in connection with the sale of Nokia s HERE business, Nokia has committed to indemnify the buyers with respect to certain losses that may be suffered by the buyers. Significant indemnification claims by the buyers with respect to the sale of the HERE business could have a material adverse effect on Nokia s financial condition.

Also, if Nokia fails to sell its HERE business following the public announcement of the proposed sale, it may have an adverse effect on HERE s brand, customer and supplier relationships and its reputation. This is particularly the case given that Nokia proposes to sell HERE to a consortium comprising some of HERE s top key automotive customers.

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If the proposed sale of the HERE business fails to complete, it could have a material adverse effect on the business, financial condition and/or results of operations of Nokia, or on the combined results of operation of Nokia and Alcatel Lucent following Completion of the Exchange Offer.

The proposed sale of our HERE business may be time-consuming and divert management attention.

The proposed sale of our HERE business may be time-consuming and divert the efforts and focus of our management and other key employees from their day-to-day business responsibilities.

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INDICATIVE TIMETABLE

You should take note of the dates and times set forth in the schedule below in connection with the U.S. Offer. These dates and times may be changed by Nokia in accordance with the terms of the Exchange Offer, the Conditions and the Memorandum of Understanding, as described in this exchange offer/prospectus.

Event	Calendar Date
Beginning of offer period	On November 18, 2015
Existing Nokia Shares expected to begin trading on Euronext Paris	On or about November 19, 2015
Extraordinary general meeting of Nokia shareholders	December 2, 2015 (a)
ADS Tender Deadline	5:00 P.M., New York City time, on December 21, 2015 (b)
Expiration Date	11:00 A.M., New York City time (5:00 P.M. Paris time), on December 22, 2015 (b)
Expected announcement by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer)	On or about December 30, 2015 (January 6, 2016 at the latest) (c)
Nokia ADSs are expected to begin trading on the NYSE (on a when-issued basis)	On or about December 31, 2015
Record date for payment of interest on the 2018 OCEANEs	December 31, 2015 (d)
Expected settlement date	On or about January 7, 2016 (b)(e)
Subsequent offering period, if any	Approximately January 14, 2016 to February 3, 2016 (f)
Expected announcement by the AMF of the results of the subsequent offering period, if any	On or about February 8, 2016
Expected settlement date of the subsequent offering period, if any	On or about February 12, 2016

(a) We are not asking you for a proxy pursuant to this exchange offer/prospectus and you are requested not to send us a proxy in response hereto.

(b) Subject to the applicable rules and regulations of the AMF and the SEC, the French Offer period and the U.S. Offer period, respectively, may be extended. If the French Offer period is extended, the AMF will issue a notice of extension on its website *http://www.amf-france.org*. In addition, Nokia will post a notice of any extension of the French Offer or the U.S. Offer on the website *www.nokia.com*, and will issue a public announcement. The information on Nokia s or the AMF s website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

(c) The AMF will announce the results of the French Offer (taking into account the results of the U.S. Offer) approximately four to five and in any event no later than nine French trading days following the Expiration Date.

(d) Interest on the 2018 OCEANEs will be paid on January 4, 2016, to the holders of record of the 2018 OCEANEs as of December 31, 2015, whether or not they tender their 2018 OCEANEs into the Exchange Offer.

(e) In the event that the Conditions have been satisfied or, if applicable, waived, Nokia will accept for exchange and will exchange all Alcatel Lucent Securities that have been validly tendered into, and not withdrawn from, the Exchange Offer as of the Expiration Date and Nokia will deliver the Nokia Shares and Nokia ADSs approximately five French trading days following the announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer), in accordance with applicable French and U.S. laws and regulations.

(f) According to Article 232-4 of the AMF General Regulation, if the Exchange Offer is successful and if Nokia holds less than 95% of the share capital and voting rights of Alcatel Lucent, the subsequent offering period will commence in connection with the French Offer within ten French trading days following the publication of the results of the French Offer (taking into account the results of the U.S. Offer) by the AMF, for a period of at least ten French trading days. Nokia has requested, and the AMF agreed, to extend the subsequent offering period for the French Offer to 15 French trading days. Nokia intends to provide a subsequent offering period for the U.S. Offer to match the French Offer.

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THE TRANSACTION

Background of the Exchange Offer

The following summarizes the material events (but only those material events) that led to the signing of the Memorandum of Understanding and the commencement of the Exchange Offer and does not purport to catalogue every conversation or meeting among representatives of Nokia and Alcatel Lucent.

In the ordinary course of business, Nokia and Alcatel Lucent each periodically reviews and evaluates industry developments and strategic options to enhance its respective shareholder value, including assessing potential strategic options and business acquisitions and combinations and engaging in preliminary discussions with other industry participants.

On July 19, 2013, Stephen Elop, the then President and Chief Executive Officer of Nokia, and Michel Combes, Chief Executive Officer of Alcatel Lucent, met in Brussels, Belgium, to discuss various strategic options involving Nokia and Alcatel Lucent, including a potential combination of Nokia Solutions and Networks with Alcatel Lucent, or a potential combination of Nokia Solutions and Networks and Alcatel Lucent s wireless business.

In August and September 2013, following the initial discussions between the Chief Executive Officers of Nokia and Alcatel Lucent, further meetings and telephone conversations were held involving Timo Ihamuotila, Executive Vice President and Chief Financial Officer, from Nokia and Jesper Ovesen, the then Executive Chairman of Nokia Solutions and Networks, and Philippe Camus, Chairman of Alcatel Lucent, Michel Combes and Jean Raby, Chief Financial and Legal Officer, from Alcatel Lucent. These discussions focused on high level issues with respect to a potential combination of Nokia Solutions and Networks and Alcatel Lucent, including various scenarios for the structuring of any such combination. The Nokia board of directors was updated on these discussions in its meetings on September 17 and 29, 2013.

On October 2, 2013, Risto Siilasmaa, Chairman of the Nokia board of directors and Timo Ihamuotila met with Philippe Camus and Michel Combes in London, England, at the offices of Sullivan & Cromwell LLP (Sullivan & Cromwell), external legal advisor to Alcatel Lucent, with Philippe Camus participating via a video conference link from New York to discuss the potential combination of Nokia Solutions and Networks and Alcatel Lucent at a conceptual level. At this meeting, Nokia representatives indicated that timing of any discussions was not optimal from Nokia s perspective given the then ongoing sale of Nokia s Devices and Services business to Microsoft.

Between October 2013 and March 2014, the Nokia board of directors received updates on the discussions with Alcatel Lucent representatives and discussed various strategic options available for Nokia Solutions and Networks in its meetings.

Between October 2013 and May 2014, Nokia and Alcatel Lucent engaged in periodic contacts to assess willingness to reengage on discussions of a potential strategic transaction and continued high level discussions on possible transaction terms and structures during this period.

On April 30, 2014, Nokia s board of directors met and reviewed in detail different strategic options for Nokia s networks business. It was concluded that assets of Alcatel Lucent either the wireless business or the entire Alcatel Lucent constituted the best strategic fit for Nokia. Representatives of Nokia subsequently contacted representatives of Alcatel Lucent to re-engage on discussions of a potential strategic transaction.

In the summer of 2014, substantive discussions between Nokia and Alcatel Lucent resumed following a call between Timo Ihamuotila and Jean Raby, where Alcatel Lucent proposed to contribute its wireless business to Nokia Solutions and Networks in return for a minority interest in the enlarged Nokia Solutions and Networks. The scope of the contribution excluded legacy pension liabilities in the United States, which would have remained with Alcatel Lucent. There were no further discussions on a combination of Nokia Solutions and Networks and Alcatel Lucent.

On July 29, 2014, a Nokia team led by Samih Elhage, Executive Vice President and Chief Financial and Operating Officer of Nokia Networks met with Alcatel Lucent representatives, including Jean Raby, Remi Thomas, Senior Vice President Mergers & Acquisitions of Alcatel Lucent, and Philippe Keryer, Chief Strategy and Innovation Officer of Alcatel Lucent, in Paris, France, to discuss at a high level the potential contribution of Alcatel Lucent s wireless business to Nokia Solutions and Networks in return for a minority interest in the enlarged Nokia Solutions and Networks.

On August 6, 2014, Timo Ihamuotila and Samih Elhage had a telephone conversation with Jean Raby concerning a potential contribution of Alcatel Lucent s wireless business to Nokia Solutions and Networks in return for a minority interest in the enlarged Nokia Solutions and Networks. The discussion focused on the strategic rationale for such transaction and the potential structuring matters.

Throughout August 2014, there were a series of telephone discussions involving representatives of Nokia, including Timo Ihamuotila and Samih Elhage, and representatives of Alcatel Lucent, including Jean Raby and Philippe Keryer, regarding the potential contribution of Alcatel Lucent s wireless business to Nokia Solutions and Networks in return for a minority interest in the enlarged Nokia Solutions and Networks, particularly around the scope of the assets to be contributed, the terms of any non-compete and a strategic partnership in IP routing. Nokia and Alcatel Lucent concluded that it was not possible to arrive at satisfactory terms for the potential contribution of Alcatel Lucent s wireless business to Nokia Solutions and Networks in return for a minority interest in the enlarged Nokia Solutions and Networks, largely as a result of remaining overlap in the businesses and the potential conflicts created by Alcatel Lucent holding a minority interest in the enlarged Nokia Solutions and Networks business. Nokia and Alcatel Lucent agreed they would continue to explore other possible strategic transactions that would not raise similar concerns, including a sale of Alcatel Lucent s wireless business to Nokia.

On September 4, 2014, Nokia and Alcatel Lucent agreed to actively discuss a possible sale of Alcatel Lucent s wireless business to Nokia and entered into a non-disclosure agreement.

On September 15, 2014, Nokia representatives, including Timo Ihamuotila, Maria Varsellona, Executive Vice President and Chief Legal Officer of Nokia and Samih Elhage met in London, England, with Jean Raby, Remi Thomas and Philippe Keryer, to discuss a potential sale of Alcatel Lucent s wireless business to Nokia and the mechanics for a potential carve out of Alcatel Lucent s wireless business from the rest of Alcatel Lucent.

Between September 15, 2014 and September 22, 2014, representatives of Nokia and Alcatel Lucent engaged in several telephonic discussions and exchanged emails with respect to a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussions focused on the carve out of Alcatel Lucent s wireless business from the rest of Alcatel Lucent and matters related to the treatment of Alcatel-Lucent Shanghai Bell, Co. Ltd. (ASB), a joint venture between Alcatel Lucent and China Huaxin Post and Telecommunication Economy Development Center, in connection with a potential transaction between Nokia and Alcatel Lucent.

On September 22, 2014, Nokia representatives, including Samih Elhage, together with representatives of J.P. Morgan Limited (J.P. Morgan), financial advisor to Nokia, and Skadden, Arps, Slate,

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Meagher & Flom LLP (Skadden Arps), external legal advisor to Nokia, participated in an Alcatel Lucent management presentation in Chicago, Illinois, U.S., with respect to Alcatel Lucent s wireless business. The presentation was led by Dave Geary, Alcatel Lucent President of Wireless, Steven Sherman, Chief Financial Officer of Wireless, and Remi Thomas, and was also attended by the representatives of Zaoui, financial advisor to Alcatel Lucent, and Sullivan & Cromwell.

On September 28, 2014, Rajeev Suri, President and Chief Executive Officer of Nokia, called Michel Combes and indicated that, subject to the approval of the Nokia board of directors and other customary conditions, including completion of due diligence, Nokia would be prepared to submit a non-binding offer to purchase Alcatel Lucent s wireless business for approximately EUR 600 million. Mr. Combes advised Mr. Suri that a purchase price of EUR 600 million would be insufficient for management to recommend the transaction to Alcatel Lucent s board of directors, but that Alcatel Lucent would continue to negotiate and conduct due diligence exercises with a view to improving the terms of the transaction. Following further negotiations and due diligence, Nokia indicated that it would be prepared to offer up to EUR 1.1 billion for the purchase of Alcatel Lucent s wireless business, subject to the approval of the Nokia board of directors and other customary conditions, including completion of due diligence.

On October 6, 2014, Nokia representatives, including Timo Ihamuotila and Samih Elhage, together with representatives of J.P. Morgan and Skadden Arps, participated in an Alcatel Lucent management presentation in Paris, France, at the offices of Sullivan & Cromwell focusing on the carve-out of Alcatel Lucent s wireless business. The presentation was led by Dave Geary and Remi Thomas, and was also attended by Jean Raby and the representatives of Zaoui and Sullivan & Cromwell.

On October 13, 2014, the Nokia board of directors held a conference call meeting, where it resolved to authorize the management of Nokia to make a non-binding offer to acquire Alcatel Lucent s wireless business.

On October 15, 2014, Nokia sent a letter to Alcatel Lucent with a non-binding indicative offer for the acquisition of Alcatel Lucent s wireless business. The letter offered to acquire Alcatel Lucent s wireless business (with such scope as identified in the letter and including Alcatel Lucent s interest in the wireless business of ASB, but excluding Alcatel Lucent s interest in the non-wireless business of ASB) for EUR 1.15 billion cash payable at closing of the transaction plus EUR 250 million cash payable post-closing, subject to Nokia s ability to repatriate certain cash funds held by Alcatel Lucent s wireless business. The letter included several assumptions and numerous conditions, including performance of a due diligence review of Alcatel Lucent s wireless business to Nokia s satisfaction, the delivery to Nokia of a comprehensive plan for the carve out of Alcatel Lucent s wireless business from Alcatel Lucent, completion of the carve out in all material respects before closing of the transaction, negotiation of definitive documentation to implement the transaction, and closing conditions (including Nokia s request to condition the transaction on obtaining consent from key customers of Alcatel Lucent).

Between October 19, 2014 and November 3, 2014, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of J.P. Morgan, Zaoui, Skadden Arps and Sullivan & Cromwell participated in a series of conference calls, discussing Nokia s non-binding indicative offer letter and its terms and conditions. The discussions focused on Nokia s indicative price, the process for carving out Alcatel Lucent s wireless business from the rest of the company, the scope of and responsibility for regulatory conditions, and other closing conditions (including Nokia s request to condition the transaction on obtaining consent from key customers of Alcatel Lucent). The discussion also focused on the process for carving out the wireless business of ASB from the rest of ASB, which would have required the consent of Alcatel Lucent s joint venture partner in ASB.

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On November 13, 2014, representatives of Sullivan & Cromwell sent to representatives of Skadden Arps the initial draft term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia.

On November 13, 2014, representatives of Nokia, J.P. Morgan and Skadden Arps met with the representatives of Alcatel Lucent, Zaoui and Sullivan & Cromwell in London, England, at the offices of Sullivan & Cromwell to discuss the initial draft term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the conditions precedent for the signing of definitive documentation and closing of the transaction (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent) and termination rights that may be available to either party, as well as the process for carving out Alcatel Lucent s wireless business from the rest of the company and the process for carving out the wireless business of ASB from the rest of ASB.

On November 16, 2014, the Nokia board of directors held a conference call meeting, during which Nokia management briefed the board of directors on the progress in the negotiations to acquire the Alcatel Lucent wireless business. At the meeting, the Nokia board of directors resolved to authorize the management of Nokia to continue to engage with the representatives of Alcatel Lucent with respect to a potential acquisition of Alcatel Lucent s wireless business.

On November 17, 2014, Rajeev Suri and Timo Ihamuotila met with Michel Combes and Jean Raby in Helsinki, Finland to discuss the material aspects of the draft term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the purchase price adjustment mechanism, logistics of carving out the wireless business from Alcatel Lucent, the transaction timeline and transaction termination fees. Alcatel Lucent also proposed that the parties consider discussions on a potential full combination of the businesses of Nokia and Alcatel Lucent, but no substantive discussions on this potential combination occurred at this time. After this meeting, the management of Nokia began exploring with its outside advisors the possibility of an acquisition of Alcatel Lucent by Nokia. Nokia s management reported its findings to Nokia s board of directors at a meeting held on December 2, 2014.

On November 21, 2014, representatives of J.P. Morgan and Skadden Arps met in London, England, at the offices of Zaoui with the representatives of Zaoui and Sullivan & Cromwell to discuss the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the inclusion of a non-compete provision into a potential transaction as well as a standstill provision, regulatory conditions and a potential fiduciary out provision for Alcatel Lucent in connection with a superior proposal.

On November 21, 2014, representatives of Skadden Arps sent to representatives of Sullivan & Cromwell a revised draft of the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia, which reflected significant outstanding differences on key transaction terms, including purchase price, purchase price adjustment mechanism, reorganization steps, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, transaction termination fees, carve-out issues and timing and treatment of ASB.

On November 24, 2014, representatives of Nokia, including Timo Ihamuotila, Maria Varsellona and Samih Elhage, and representatives of J.P. Morgan and Skadden Arps met in Paris, France, at the offices of Skadden Arps with the representatives of Alcatel Lucent, including Jean Raby, Remi Thomas and Philippe Keryer, and the representatives of Zaoui and Sullivan & Cromwell to discuss the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the key transaction terms, including purchase price, purchase price adjustment mechanism,

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reorganization steps, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, transaction termination fees, carve-out issues and timing and treatment of ASB.

On December 2, 2014, the Nokia board of directors held a meeting in London, England. The board of directors was updated by management on the progress of the negotiations with Alcatel Lucent and key aspects of those negotiations, including potential issues that may arise in connection with such transaction. At that meeting, the Nokia board of directors resolved to authorize Nokia management to continue to engage with the representatives of Alcatel Lucent with respect to a potential acquisition of Alcatel Lucent s wireless business, and also to explore, in parallel, together with Nokia s outside advisors, a potential acquisition of Alcatel Lucent by Nokia and the benefits and potential issues of such combination.

During December 2014, representatives of Nokia and Alcatel Lucent engaged in several telephonic discussions and exchanged emails with respect to the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussions focused on key terms, including the purchase price, purchase price adjustment mechanism, closing conditions (including Nokia s request to condition the transaction on obtaining consent from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, transaction termination fees, carve-out issues and timing and treatment of ASB.

On January 5, 2015, representatives of Sullivan & Cromwell sent to representatives of Skadden Arps a revised draft of the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia, which reflected continuing discussions on key terms, including purchase price, purchase price adjustment mechanism, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, transaction termination fees, carve-out issues and timing and treatment of ASB.

On January 7, 2015, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, and representatives of J.P. Morgan and Skadden Arps met in Berlin, Germany with the representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell to discuss the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the purchase price adjustment, logistics of carving out the wireless business from Alcatel Lucent and the size of the transaction termination fee. Following this discussion, Mr. Ihamuotila and Mr. Raby had a separate discussion in general terms on a potential acquisition of Alcatel Lucent by Nokia.

On January 9, 2015, representatives of Skadden Arps sent to representatives of Sullivan & Cromwell a revised draft of the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia, which reflected continuing discussions on purchase price, purchase price adjustment mechanism, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, transaction termination fees and definition of material adverse effect.

On January 14, 2015, representatives of Alcatel Lucent and their advisors presented carve-out financial information in respect of Alcatel Lucent s wireless business to representatives of Nokia and their advisors in Munich, Germany.

On January 14, 2015, representatives of Sullivan & Cromwell sent to representatives of Skadden Arps a revised draft of the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia reflecting the continuing discussions on key terms, including purchase price, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights, reverse transaction termination fees and definition of material adverse effect.

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On January 16, 2015, Risto Siilasmaa met with Philippe Camus, Chairman of Alcatel Lucent s board of directors, in Paris, France to discuss the potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on high level issues associated with the potential acquisition of the wireless business, including the proposed purchase price and transaction timeline. Mr. Siilasmaa and Mr. Camus also discussed the potential acquisition of Alcatel Lucent by Nokia.

On January 19, 2015, representatives of Nokia, including Timo Ihamuotila, Maria Varsellona and Samih Elhage, and representatives of J.P. Morgan and Skadden Arps participated in a conference call with the representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell to discuss the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. The discussion focused on the termination provisions for a potential transaction and the closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent).

On January 20, 2015, the Nokia board of directors held a meeting in Espoo, Finland, where the board of directors reviewed the results of Nokia management s preliminary assessment of a potential acquisition of Alcatel Lucent by Nokia by way of an exchange offer and the benefits and drawbacks associated with such combination as compared to the acquisition of Alcatel Lucent s wireless business. At that meeting, the Nokia board of directors resolved to authorize Nokia management to engage in a limited due diligence review of Alcatel Lucent with respect to a potential acquisition of Alcatel Lucent by Nokia.

On January 23, 2015, representatives of Skadden Arps sent to representatives of Sullivan & Cromwell a revised draft of the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia, which reflected significant remaining differences on purchase price, closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent), allocation of regulatory risk, termination rights and size of reverse transaction termination fee.

On January 26, 2015, Timo Ihamuotila called Jean Raby, informing him that Nokia would like to explore the possibility of acquiring Alcatel Lucent. Mr. Raby stated that Alcatel Lucent was prepared to engage in preliminary discussions on this topic. Mr. Ihamuotila stated that Nokia would like to engage in a due diligence review of Alcatel Lucent with a view to a potential acquisition of Alcatel Lucent by Nokia. Mr. Ihamuotila and Mr. Raby agreed that Nokia would perform limited due diligence review of Alcatel Lucent, focusing on Alcatel Lucent s pension liabilities, intellectual property and regulatory and compliance matters. On January 29, 2015, representatives of Nokia sent to representatives of Alcatel Lucent a due diligence request list for such review. Alcatel Lucent provided reciprocal due diligence requests, and engaged in due diligence and valuation exercises in respect of Nokia.

On January 27, 2015, representatives of Nokia, including Maria Varsellona and Samih Elhage, and representatives of J.P. Morgan and Skadden Arps participated in a conference call with the representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell to discuss the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia.

On February 2, 2015, representatives of Nokia and its advisors met in Paris, France, at the offices of Sullivan & Cromwell with the representatives of Alcatel Lucent and its advisors to conduct due diligence review of Alcatel Lucent with respect to a potential acquisition of Alcatel Lucent by Nokia. Due diligence discussions focused on Alcatel Lucent s pension liabilities, as well as regulatory and compliance matters. Nokia and Alcatel Lucent continued to perform reciprocal due diligence review of each other s businesses on select topics, including pension liabilities, regulatory and compliance matters, intellectual property, ASB, Nokia s HERE business, recent acquisitions by Nokia and material litigation until April 14, 2015.

On February 5, 2015, Risto Siilasmaa and Philippe Camus had a telephone conversation where they generally discussed the status of negotiations between the parties and a potential strategic transaction.

On February 9, 2015, Rajeev Suri met with Michel Combes in London, England to discuss a potential sale of Alcatel Lucent s wireless business to Nokia and to conduct a high level discussion of the rationale for a potential acquisition of Alcatel Lucent by Nokia.

Between February 13, 2015 and February 17, 2015, representatives of Nokia and Alcatel Lucent held a series of telephone conversations, discussing the term sheet for a potential acquisition of Alcatel Lucent s wireless business by Nokia. At the conclusion of these discussions, a number of material issues set forth in the draft term sheet remained outstanding and unresolved, including closing conditions (including Nokia s request to condition the transaction on obtaining consents from key customers of Alcatel Lucent) and the timeline and conditions for the planned carve out and related possible price implications. As a result of the negotiations and discussions to date, Nokia and Alcatel Lucent also viewed a potential acquisition of Alcatel Lucent s wireless business by Nokia as having significant obstacles to execution associated with the process for carving out Alcatel Lucent s wireless business from the rest of the company, the process for carving out the wireless business of ASB from the rest of ASB and the response of customers and other stakeholders to a carve-out transaction, and that a full combination of the businesses of Nokia and Alcatel Lucent could be comparatively advantageous from both a strategic and a value creation standpoint. In particular, certain customers of Alcatel Lucent had proactively expressed concerns about the potential disruption to business that a sale of Alcatel Lucent s wireless business would entail, given the long period needed to separate the wireless business from the other businesses of Alcatel Lucent. Nokia and Alcatel Lucent also recognized that a combination would be consistent with market preference for large vendors with scale and scope, particularly in 5G. Following February 17, 2015, Nokia and Alcatel Lucent did not resume substantive discussions with respect to a potential acquisition of Alcatel Lucent s wireless business by Nokia and did not execute any additional documentation with respect to any such transaction.

On February 20, 2015, the Nokia board of directors held a conference call meeting, where it resolved to authorize the management of Nokia to fully engage in discussions with the representatives of Alcatel Lucent with respect to a potential acquisition of Alcatel Lucent by Nokia.

On February 27, 2015, the Nokia board of directors held a conference call meeting to discuss the preliminary results of the due diligence review of Alcatel Lucent and the valuation of Alcatel Lucent. The board of directors resolved to authorize Nokia representatives to make a non-binding offer to acquire Alcatel Lucent.

On March 5, 2015, representatives of Nokia, including Risto Siilasmaa, Rajeev Suri, Timo Ihamuotila and Maria Varsellona met with representatives of Alcatel Lucent, including Philippe Camus, Michel Combes and Jean Raby, in Paris, France, at the offices of Sullivan & Cromwell. At the meeting, Mr. Siilasmaa and Mr. Suri communicated to Mr. Camus and Mr. Combes Nokia s non-binding offer to acquire Alcatel Lucent for 0.491 Nokia Shares for each Alcatel Lucent Share. In addition, Nokia representatives discussed other terms and conditions and various aspects of a potential transaction. Mr. Camus and Mr. Combes indicated that Alcatel Lucent viewed the offer to be inadequate in light of its view of the relative values of Alcatel Lucent Shares and Nokia Shares.

On March 8, 2015, representatives of Nokia, met in London, England, at the offices of Skadden Arps with representatives of Alcatel Lucent to conduct limited financial due diligence review of Alcatel Lucent to assist Nokia in its valuation of Alcatel Lucent. Alcatel Lucent engaged in reciprocal due diligence and valuations exercises in respect of Nokia.

On March 9, 2015, Rajeev Suri met with Michel Combes in Paris, France to discuss the transaction timeline and the scope and length and the extent of each company s due diligence efforts.

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On March 10, 2015, Risto Siilasmaa met with Philippe Camus in London, England for an overall discussion of the potential transaction and significant obstacles to announcing a transaction.

Between March 11, 2015 and March 14, 2015, representatives of Nokia, J.P. Morgan, Skadden Arps, Alcatel Lucent, Zaoui and Sullivan & Cromwell held a series of telephonic discussions concerning key terms of a potential transaction. The discussions focused on the scope and length of due diligence review and transaction timing, as well as standstill and exclusivity proposals. Nokia and Alcatel Lucent were not able to reach any agreement on possible standstill or exclusivity provisions at this time.

On March 15, 2015, the Nokia board of directors held a conference call meeting. Nokia management updated the board of directors on the status of its discussions with Alcatel Lucent and interim results of Nokia s due diligence review. The Nokia board of directors resolved to authorize Nokia management to continue to engage in discussions with Alcatel Lucent and to continue to perform reciprocal due diligence review.

On March 16, 2015, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, and representatives of J.P. Morgan and Skadden Arps met in London, England at the offices of Sullivan & Cromwell with the representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell, to discuss the non-financial terms of the combination, including the conditions precedent of a potential exchange offer by Nokia to acquire Alcatel Lucent. The discussion focused on the timing of the Nokia extraordinary general meeting of shareholders contemplated by the Nokia Shareholder Approval and the level of the minimum tender condition.

On March 17, 2015, Risto Siilasmaa, Timo Ihamuotila and Maria Varsellona met with Philippe Camus, Michel Combes and Jean Raby in London, England, at the offices of Skadden Arps to discuss the proposed exchange ratio, offer structure and key offer terms, including offer conditions. Representatives of Nokia presented a revised proposal with an exchange ratio range of 0.514 to 0.538 Nokia Shares per Alcatel Lucent Share, as compared to the offer of 0.491 Nokia Shares per Alcatel Lucent Share made on March 5, 2015. Mr. Camus responded that Alcatel Lucent viewed the offer to be inadequate in light of its view of the relative values of Alcatel Lucent Shares and Nokia Shares. Representatives of Nokia informed representatives of Alcatel Lucent that the Nokia board of directors was not yet prepared to revise the exchange ratio and that the board of directors was meeting on March 25, 2015 to further discuss a potential transaction with Alcatel Lucent.

On March 22, 2015, Risto Siilasmaa and Philippe Camus had a telephone conversation where they discussed the proposed exchange ratio, handling of Alcatel Lucent s submarine business and Nokia s governance structure after the potential acquisition.

On March 25, 2015, Risto Siilasmaa and Philippe Camus had a telephone conversation where they discussed the proposed exchange ratio and status of Nokia s approach to the transaction.

On March 25, 2015, the Nokia board of directors held an in-person meeting in Espoo, Finland, where the board of directors resolved to authorize Nokia representatives to communicate to the Alcatel Lucent representatives an increased exchange ratio.

On March 27, 2015, representatives of Nokia, including Risto Siilasmaa, Rajeev Suri, Timo Ihamuotila and Maria Varsellona met with representatives of Alcatel Lucent, including Philippe Camus, Michel Combes and Jean Raby in London, England, at the offices of Sullivan & Cromwell. Mr. Siilasmaa and Mr. Suri began the meeting by confirming Nokia s offer to acquire Alcatel Lucent for 0.538 Nokia Shares for each Alcatel Lucent Share. Following negotiations between the parties, the representatives of Nokia and Alcatel Lucent agreed on the exchange ratio of 0.550 Nokia Shares for each Alcatel Lucent Share, subject to the approval of Alcatel Lucent s board of directors.

On March 29, 2015, Philippe Camus telephoned Risto Siilasmaa to inform him of the support of Alcatel Lucent s board of directors for the proposed exchange ratio, subject to agreement on other terms of the proposed transaction.

On March 30, 2015, representatives of Skadden Arps sent the initial draft of the Memorandum of Understanding to the representatives of Sullivan & Cromwell.

On April 1, 2015, Risto Siilasmaa had a telephone conversation with Philippe Camus where they discussed the proposed exchange ratio and communications with the French government.

On April 2, 2015, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, and representatives of J.P. Morgan and Skadden Arps met in Paris, France, at the offices of Sullivan & Cromwell with representatives of Alcatel Lucent, including Jean Raby, and the representatives of Zaoui and Sullivan & Cromwell to discuss the key terms of the Memorandum of Understanding, including responsibility for the regulatory approvals in connection with the Exchange Offer and Exchange Offer conditions.

On April 5, 2015, representatives of Sullivan & Cromwell sent a revised draft of the Memorandum of Understanding to the representatives of Skadden Arps, which reflected continuing discussions on key terms, including scope of representations, warranties and covenants, closing conditions, allocation of regulatory risk, termination rights, transaction termination fees and board and shareholder recommendation processes.

On April 6, 2015, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, J.P. Morgan and Skadden Arps held a conference call with representatives of Alcatel Lucent, including Jean Raby, Zaoui and Sullivan & Cromwell to discuss the key terms of the Memorandum of Understanding, including transaction conditions and termination fees.

On April 8, 2015, representatives of Skadden Arps sent a revised draft of the Memorandum of Understanding to the representatives of Sullivan & Cromwell, which reflected continuing discussions on key terms, including scope of representations, warranties and covenants, closing conditions, allocation of regulatory risk, termination rights, transaction termination fees and board and shareholder recommendation processes.

On April 10, 2015 and April 11, 2015, the full management teams of Nokia, including Rajeev Suri, Timo Ihamuotila and Maria Varsellona, and Alcatel Lucent, including Michel Combes, Jean Raby and Remi Thomas, held reciprocal all-day management presentations and due diligence sessions in London, England, at the offices of Skadden Arps. These reciprocal due diligence sessions covered, among other things, financial, human resources, legal, pensions, compliance, tax and business line specific diligence matters. Representatives of J.P. Morgan, Zaoui, Skadden Arps and Sullivan & Cromwell also participated in these sessions.

On April 11, 2015, representatives of Sullivan & Cromwell sent a revised draft of the Memorandum of Understanding to the representatives of Skadden Arps, which reflected continuing discussions on key terms, including closing conditions, allocation of regulatory risk, termination rights, transaction termination fees and board and shareholder recommendation processes.

On April 12, 2015, representatives of Nokia, including Rajeev Suri, Timo Ihamuotila and Maria Varsellona, and representatives of J.P. Morgan and Skadden Arps met with the representatives of Alcatel Lucent, including Michel Combes, Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell, in London, England, at the offices of Skadden Arps to discuss the Memorandum of Understanding. The parties agreed on the scope and timing of the remaining transaction conditions at this meeting.

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On April 13, 2015, Michel Combes contacted the Ministry of Economy, Industry and Digital Technology of the French Republic to update them on strategic developments with respect to Alcatel Lucent, following previous periodic discussions on strategic options under consideration, and to inform them of the likely announcement of a potential transaction between Nokia and Alcatel Lucent in the near term.

On April 13, 2015, representatives of Skadden Arps sent a revised draft of the Memorandum of Understanding to the representatives of Sullivan & Cromwell, which reflected continuing discussions on key terms, including the minimum tender condition, allocation of regulatory risk, termination rights and transaction termination fees.

On April 13, 2015, the Nokia board of directors held an in-person meeting in London, England, where the board of directors was updated on the developments in negotiations with Alcatel Lucent and the transaction timeline.

On April 13, 2015, Alcatel Lucent s board of directors met in Paris, France, at the offices of Sullivan & Cromwell and by video conference. The meeting was also attended by members of Alcatel Lucent s senior management and representatives from Zaoui and Sullivan & Cromwell. Alcatel Lucent s board of directors evaluated the terms of the proposed transaction, including the exchange ratio and terms of the draft Memorandum of Understanding. Members of Alcatel Lucent s senior management updated Alcatel Lucent s board of directors on developments with respect to the proposed acquisition of Alcatel Lucent by Nokia since the previous meeting of the board, including the conclusions of the reciprocal due diligence and valuation exercises carried out by Alcatel Lucent in respect of Nokia. Zaoui and Sullivan & Cromwell reviewed the financial and legal terms of the Memorandum of Understanding, based on an advanced draft of the Memorandum of Understanding. Zaoui explained the financial terms of the Exchange Offer and the potential impact on the holders of Alcatel Lucent Shares and OCEANEs, including the premium implied by the exchange ratio and considerations regarding valuation of Alcatel Lucent and Nokia. Sullivan & Cromwell also discussed the fiduciary duties of Alcatel Lucent s board of directors in considering the Memorandum of Understanding and the timetable of the proposed transaction.

On April 13, 2015, rumors of a possible offer or transaction by Nokia to acquire Alcatel Lucent s wireless business were publicly reported, following rumors of the potential sale of HERE by Nokia on April 10, 2015.

On April 14, 2015, in response to the rumors, Nokia and Alcatel Lucent issued a joint public announcement prior to the open of markets in Europe confirming that they were in advanced discussions with respect to a potential full combination, which would take the form of a public exchange offer by Nokia for Alcatel Lucent.

On April 14, 2015, representatives of Nokia, including Timo Ihamuotila and Maria Varsellona, and representatives of J.P. Morgan and Skadden Arps met with representatives of Alcatel Lucent, including Jean Raby and Remi Thomas, and the representatives of Zaoui and Sullivan & Cromwell, in Paris, France, at the offices of Skadden Arps to finalize the remaining terms of the Memorandum of Understanding, including agreement on the size of the termination fees.

On April 14, 2015, the Nokia board of directors held a conference call meeting, where it resolved to approve the proposed acquisition of Alcatel Lucent and the execution of the Memorandum of Understanding.

On April 14, 2015, Alcatel Lucent s board of directors held a conference call meeting, which was also attended by representatives of Alcatel Lucent s senior management, Zaoui and Sullivan & Cromwell. Management provided an update on discussions with Nokia since the previous board meeting, while

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Zaoui and Sullivan & Cromwell reviewed the final financial and legal terms of the Memorandum of Understanding. Zaoui delivered to Alcatel Lucent s board of directors its oral opinion, which was confirmed by delivery of a written opinion dated April 14, 2015, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders, as further described under the section entitled Opinion of the Financial Advisor to the Alcatel Lucent Board of Directors below. The opinion delivered by Zaoui is filed as an exhibit to the registration statement of which this exchange offer/prospectus forms a part. Following additional discussion and consideration of the Memorandum of Understanding and the terms and conditions of the Exchange Offer, the Alcatel Lucent board of directors unanimously approved the terms of the Memorandum of Understanding and the draft press release announcing the transaction.

On April 15, 2015, Nokia and Alcatel Lucent executed the Memorandum of Understanding.

On April 15, 2015, prior to the open of markets in Europe, Nokia and Alcatel Lucent jointly announced the execution of the Memorandum of Understanding and the proposed acquisition of Alcatel Lucent by Nokia by way of an exchange offer by Nokia for all outstanding equity securities of Alcatel Lucent.

After the announcement of the execution of the Memorandum of Understanding, Alcatel Lucent promptly began the information process of its French Group Committee (*Comité de Groupe France*) in order to obtain its opinion on the proposed public exchange offer. Between April 15, 2015 and June 1, 2015, Alcatel Lucent, with Nokia s participation, held a series of meetings with the French Group Committee and responded to its information and other requests. The consultations were conducted in accordance with Article L. 2323-23 of the French Labor Code. On June 1, 2015, Alcatel Lucent s French Group Committee delivered its opinion, indicating that it does not oppose the proposed combination with Nokia.

On June 4, 2015, further to the French Group Committee consultation process, Alcatel Lucent s board of directors expressed its full support for the proposed combination with Nokia. The opinion of the French Group Committee as well as the report of the certified public accountant appointed by the French Group Committee are included as part of Alcatel Lucent s offer response document filed on October 29, 2015 with the AMF in response to the French Offer documentation filed by Nokia with the AMF on the same day.

In addition, following the execution of the Memorandum of Understanding, Nokia and Alcatel Lucent promptly began the filings and regulatory review processes in all relevant jurisdictions necessary for the consummation and implementation of the Exchange Offer and the combination of the businesses of Nokia and Alcatel Lucent. As of the date hereof, all material regulatory approvals for the Exchange Offer have been received. Refer to the section entitled The Exchange Offer Legal Matters; Regulatory Approvals for further discussion of the applicable regulatory approvals.

On October 22, 2015, the board of directors of Nokia approved the submission of the Exchange Offer to the AMF.

On October 28, 2015, the participating members of the Alcatel Lucent board of directors, as a result of the matters described in The Transaction Reasons for the Alcatel Lucent Board of Directors Approval of the Transaction , unanimously:

(i) determined that the Exchange Offer is in the best interest of Alcatel Lucent, its employees and its stakeholders (including the holders of the Alcatel Lucent Shares and holders of other Alcatel Lucent Securities),

(ii) recommended that all holders of Alcatel Lucent Shares and holders of Alcatel Lucent ADSs tender their Alcatel Lucent Shares and/or their Alcatel Lucent ADSs into the Exchange Offer and

(iii) recommended that all holders of OCEANEs tender their OCEANEs into the Exchange Offer.

On November 18, 2015, Nokia is expected to file its Schedule TO with the SEC and is expected to commence the U.S. Offer.

Disclosure of Certain Information Relating to Alcatel Lucent

Prior to the signing of the Memorandum of Understanding, Nokia had access to certain limited information about Alcatel Lucent and its subsidiaries for purposes of conducting its due diligence review and Alcatel Lucent had access to certain limited information about Nokia. The significant elements of such information are contained in the Alcatel Lucent 2014 Form 20-F or the Nokia 2014 Form 20-F, as applicable.

Nokia considers that apart from the publicly available information or the information contained in this exchange offer/prospectus, it has not received specific information relating to, directly or indirectly, Alcatel Lucent and its subsidiaries and which would be likely, if made public, to have a significant influence on the share price of Alcatel Lucent Securities.

Reasons for the Exchange Offer

We believe that the combination of Nokia s and Alcatel Lucent s businesses will create significant value for stakeholders of both companies. Following the Completion of the Exchange Offer, Nokia will be well-positioned to create the foundation of seamless connectivity for people and things wherever they are. We believe that this foundation is essential for enabling the next wave of technological change, including the Internet of Things and transition to the cloud.

The strategic rationale for combining the two companies includes:

- creation of end-to-end portfolio scope and scale player with leading global positions across products, software and services to meet changing industry paradigms;
- complementary offerings, customers and geographic footprint;
- enhanced research and development capabilities creating an innovation powerhouse with significant combined R&D resources;
- the recent execution track-record on both sides and common vision for the future;
- the opportunity to realize significant cost savings and other synergies; and
- the development of a robust capital structure and strong balance sheet.

End-to-end portfolio scope and scale player with leading global positions across products, software and services to meet changing industry paradigms

The driver of the changes we are seeing in the world around us and the demands being placed on the networks of the future are increasingly complex. Demand for seamless and ubiquitous access is combining with ever-increasing requirements for network analytics and network intelligence. We believe that this is requiring broader, deeper, and more sophisticated end-to-end capabilities, which very few companies can offer.

The growing complexity of product demands are set against a number of other shifting industry paradigms. Customer consolidation has been ongoing for a number of years now and has created fewer, larger players with broader global needs. Convergence is happening rapidly across both fixed

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and mobile, as well as IP and cloud. Virtualization is leading to increased network efficiency and scalability. Furthermore, web scale companies and certain large enterprise verticals are growing as a customer base for carrier-grade technologies

Combining Nokia with Alcatel Lucent will bring together the complementary capabilities of both companies with an end-to-end portfolio of software, services and products, which will be weighted towards next-generation technologies enabling us to provide better solutions to customers and access new opportunities in an expanded, addressable market.

Following the Completion of the Exchange Offer, the combined company is expected to be a leader in technologies such as fixed broadband, LTE, IP routing, cloud applications and advanced analytics, positioning the company as either the number one or two player in most key business areas. We expect to have the scale to service the very largest global multinational customers with a broader range of products, software and services across a wider geographic footprint, which we believe will make us the strategic partner of choice for the long term. We believe that the Exchange Offer provides a very compelling path to achieving and accelerating the long term strategies vision that Nokia has laid out in its 10-year strategy to be a global technology leader in the programmable world.

Complementary offerings, customers and geographic footprint

The Exchange Offer brings together two businesses which we believe have highly complementary portfolios and geographies, bringing together the best of fixed and mobile, IP routing, core networks, cloud applications and services. Together, Nokia and Alcatel Lucent will have particular strength in the United States, China, Europe and Asia-Pacific. We believe that the combined company will be positioned to target a larger addressable market with an improved growth profile. Based on our estimates, the addressable market of the combined company in 2014 was approximately 50% larger than the current addressable networks market for Nokia alone, increasing from approximately EUR 84 billion to approximately EUR 130 billion. Based on Nokia s internal estimates, the combined company is expected to have a stronger growth profile than Nokia s current addressable market, and we estimate, based on our internal data, that the addressable market of the combined company would enjoy a Compound Annual Growth Rate (CAGR) of approximately 3.5% for 2014-2019.

Enhanced research and development capabilities creating an innovation powerhouse with significant combined R&D resources

The combined company will have significant innovation capabilities, with Alcatel Lucent s Bell Labs and Nokia s FutureWorks, as well as Nokia Technologies. The latter is expected to stay as a separate entity with a clear focus on licensing and the incubation of new technologies.

With more than 40 000 research and development employees, of which over 30 000 are software engineers, and combined 2014 research and development spending of EUR 4.7 billion, the combined company will be well positioned to accelerate development of future technologies including 5G, IP and software-defined networking, cloud and analytics, as well as digital health and digital media, bringing significant benefits to its customers.

The recent execution track-record on both sides and common vision for the future

We believe that both companies are in a far better position to combine at this point in time and the combination is being conducted from a position of strength. Both companies have recently improved their operational efficiency and agility through significant restructurings, Nokia has purchased Siemens share of Nokia Siemens Network, divested substantially all of its Devices & Services business to Microsoft and has announced the pending disposal of our HERE digital mapping and location services business, while Alcatel Lucent is coming to the end of the Shift plan.

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Through its restructuring program, Nokia became a leader in Mobile Broadband while strengthening its financial position and having achieved one of the industry-leading profitabilities. Similarly, Alcatel Lucent has rebuilt its capital base through refinancings and divestments and refocused on IP Networking, Cloud and Ultra Broadband, leading to Alcatel Lucent s improvement in profitability and free cash flow. We expect to build on these learnings to make the expected integration of Nokia and Alcatel Lucent as seamless as possible.

Both companies share a common vision for the future, and believe that this transaction is the next logical step of our successful transformations and at the right time for both companies. Following the Completion of the Exchange Offer, Nokia is expected to be well positioned to create the foundation of seamless connectivity which we believe is essential for enabling the next wave of technological change in our industry.

The opportunity to realize significant cost savings and other synergies

The combined company would target approximately EUR 900 million of annual operating cost synergies to be achieved on a full year basis in 2018, relative to the combined non-IFRS projected results of Nokia and Alcatel Lucent for the full year 2015, and assuming Completion of the Exchange Offer in the first quarter 2016.

The combined company would also target approximately EUR 200 million of reductions in interest expenses to be achieved on a full-year basis in 2017. The transaction is expected to be accretive to Nokia earnings on a non-IFRS basis (excluding restructuring charges and amortization of intangibles) in 2017. This target assumes Completion of the Exchange Offer no later than the end of the first half of 2016.

The development of a robust capital structure and strong balance sheet

The combined company will benefit from enhanced financial resources for growth and investment purposes. The combined company is expected to have a strong balance sheet, which will support our ambition to re-establish our long-term investment-grade rating. Assuming conversion of all OCEANEs and completion of the sale of our HERE business, the pro forma net cash position of the combined company at June 30, 2015 would have been EUR 8.1 billion and pro forma cash and cash equivalents of the combined company at June 30, 2015 would have been EUR 10.5 billion. Net cash is a non-IFRS financial measure. Refer to Selected Unaudited Pro Forma Combined Financial Information for a description of how we define and calculate net cash. Following the Completion of the Exchange Offer, Nokia intends implement capital structure optimization program for the combined group (See The Transaction Intentions of Nokia over the next twelve months Capital structure optimization program).

Reasons for the Alcatel Lucent Board of Directors Approval of the Transaction

Reasons for Approving the Memorandum of Understanding

On April 13, 2015, Alcatel Lucent s board of directors met in Paris, France, at the offices of Sullivan & Cromwell and by video conference. The meeting was also attended by members of Alcatel Lucent s senior management and representatives from Zaoui and Sullivan & Cromwell. Alcatel Lucent s board of directors evaluated the terms of the proposed transaction, including the exchange ratio and terms of the draft Memorandum of Understanding. Members of Alcatel Lucent s senior management updated Alcatel Lucent s board of directors on developments with respect to the proposed acquisition of Alcatel Lucent by Nokia since the previous meeting of the board, including the conclusions of the reciprocal due diligence and valuation exercises carried out by Alcatel Lucent in respect of Nokia. Zaoui and Sullivan & Cromwell reviewed the financial and legal terms of the Memorandum of Understanding, based on an advanced draft of the Memorandum of Understanding. Zaoui explained the financial terms of the Exchange Offer and the potential impact on the holders of Alcatel Lucent Shares and OCEANEs, including the premium implied by the exchange ratio and considerations regarding valuation of Alcatel Lucent and Nokia. Sullivan & Cromwell also discussed the fiduciary duties of Alcatel Lucent s board of directors in considering the Memorandum of Understanding and the timetable of the proposed transaction.

On April 14, 2015, Alcatel Lucent s board of directors held a meeting, which was also attended by members of Alcatel Lucent s senior management and representatives from Zaoui and Sullivan & Cromwell, to consider the final financial and legal terms of and entry into the Memorandum of Understanding. At this meeting, Alcatel Lucent s board of directors was briefed on the final terms of the Memorandum of Understanding by Sullivan & Cromwell and Zaoui. Zaoui delivered to Alcatel Lucent s board of directors its oral opinion, which was confirmed by delivery of a written opinion dated April 14, 2015, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders, as further described in the section entitled Opinion of Alcatel Lucent s Financial Advisor . The full text of Zaoui s written opinion dated April 14, 2015, which sets forth a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Zaoui in preparing its opinion, is attached as Annex B-1 to this exchange offer/prospectus. Following additional discussion and consideration of the Memorandum of Understanding and the terms and conditions of the Exchange Offer, Alcatel Lucent s board of directors unanimously approved the terms of the Memorandum of Understanding.

In evaluating the Memorandum of Understanding and the transactions contemplated thereby, including the Exchange Offer, Alcatel Lucent s board of directors consulted with Alcatel Lucent s senior management, as well as Zaoui, which was retained by Alcatel Lucent as financial advisor in connection with the Exchange Offer. Alcatel Lucent s board of directors resolved to approve the Memorandum of Understanding on the basis of numerous factors, including the following non-exhaustive list of material factors and benefits of the Memorandum of Understanding and the Exchange Offer, each of which Alcatel Lucent s board of directors believed supported its unanimous determination to approve the Memorandum of Understanding.

- *Premium of Exchange Ratio Over Alcatel Lucent Shares Trading Price.* Alcatel Lucent s board of directors considered that, based on the closing share price of Nokia Shares (on Nasdaq Helsinki) of EUR 7.77 on April 13, 2015, as further described in the section entitled Background of the Exchange Offer , the exchange ratio offered an equivalent of EUR 4.27 per Alcatel Lucent Share (or EUR 4.48 per Alcatel Lucent Share on a fully diluted basis), and valued Alcatel Lucent at EUR 15.6 billion on a fully diluted basis, corresponding to:

  - a premium to holders of Alcatel Lucent Shares of 11% and a fully diluted premium of 16%, in each case based on the closing price of Alcatel Lucent Shares (on Euronext Paris) as of April 13, 2015;

  - a premium to holders of Alcatel Lucent Shares of 18% and a fully diluted premium of 24%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning March 16, 2015 and ending April 13, 2015;

  - a premium to holders of Alcatel Lucent Shares of 28% and a fully diluted premium of 34%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning January 14, 2015 and ending April 13, 2015;

  - a premium to holders of Alcatel Lucent Shares of 48% and a fully diluted premium of 55%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning October 14, 2014 and ending April 13, 2015; and a premium to holders of Alcatel Lucent Shares of 54% and a fully diluted premium of 61%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning April 11, 2014 and ending April 13, 2015.

The fully diluted premiums above reflect the implied premium paid by Nokia to Alcatel Lucent s market capitalization, based on volume weighted average price of Alcatel Lucent Shares over the referenced period, as adjusted for the dilutive effect of the OCEANEs, which represent a substantial portion of Alcatel Lucent Shares on a fully diluted basis.

Premium Over Historical Exchange Ratio. Alcatel Lucent s board of directors considered that the exchange ratio of 0.5500 represented a premium to the historical average ratios of the volume weighted average price of Alcatel Lucent Shares to the volume weighted average price of Nokia over various periods, in particular:

a premium to holders of Alcatel Lucent Shares of 11% and a fully diluted premium of 16% to the historical exchange ratio of 0.497, based on the closing price of Alcatel Lucent Shares (on Euronext Paris) and Nokia Shares (on Nasdaq Helsinki) as of April 13, 2015;

a premium to holders of Alcatel Lucent Shares of 11% and a fully diluted premium of 16% to the historical exchange ratio of 0.497, based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) and Nokia Shares (on Nasdaq Helsinki), in each case for the period beginning March 16, 2015 and ending April 13, 2015;

a premium to holders of Alcatel Lucent Shares of 16% and a fully diluted premium of 21% to the historical exchange ratio of 0.475, based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) and Nokia Shares (on Nasdaq Helsinki), in each case for the period beginning January 14, 2015 and ending April 13, 2015;

a premium to holders of Alcatel Lucent Shares of 28% and a fully diluted premium of 35% to the historical exchange ratio of 0.428, based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) and Nokia Shares (on Nasdaq Helsinki), in each case for the period beginning October 14, 2014 and ending April 13, 2015; and

a premium to holders of Alcatel Lucent Shares of 27% and a fully diluted premium of 33% to the historical exchange ratio of 0.435, based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) and Nokia Shares (on Nasdaq Helsinki), in each case for the period beginning April 11, 2014 and ending April 13, 2015.

The fully diluted premiums above reflect the implied premium paid by Nokia to Alcatel Lucent s market capitalization, based on volume weighted average price of Alcatel Lucent Shares over the referenced period, as adjusted for the dilutive effect of the OCEANEs, which represent a substantial portion of Alcatel Lucent Shares on a fully diluted basis.

Implied Premium on a Fully Diluted Basis. Alcatel Lucent s board of directors considered the premium implied by the exchange ratio on a fully diluted basis taking into account the Alcatel Lucent Shares issuable upon exercise of Alcatel Lucent Stock Options, vesting of Performance Shares and conversion/exchange of OCEANEs (including the effect of the Exchange Offer on the terms of the OCEANEs). In particular, Alcatel Lucent s board of directors considered that the opening of the Exchange Offer will result in an adjustment to the conversion/exchange ratio of each series of OCEANEs. Alcatel Lucent s board of directors also considered that the 2019 OCEANEs and the 2020 OCEANEs, as a result of the adjustment to the conversion/exchange ratio of each series and taking into account that the exchange ratio offered an equivalent of EUR 4.27 per Alcatel Lucent Share, based on the closing price of Nokia Shares of EUR 7.77 on April 13, 2015, had an implied value upon conversion/exchange in excess of their respective principal amounts. Alcatel Lucent s board of directors considered that, as a result of the fixed exchange ratio, a greater number of Nokia Shares would be issuable to holders of Alcatel Lucent Securities on a fully diluted basis than

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the number of Nokia Shares that would be issuable without taking these factors into account. Alcatel Lucent s board of directors also considered that subsequent changes in the price of Alcatel Lucent Shares or Nokia Shares may affect the decision of holders of OCEANEs to convert/exchange their OCEANEs into Alcatel Lucent Shares or to tender their OCEANEs into the Exchange Offer, which could have a corresponding impact on the number of Nokia Shares actually issued to holders of Alcatel Lucent Securities upon Completion of the Exchange Offer. Alcatel Lucent s board of directors considered that fully diluted premiums provided a meaningful assessment of the premium implied by the exchange ratio. For an explanation of the calculation of fully diluted premium, based on the closing price of Nokia Shares of EUR 7.77 on April 13, 2015, reference is made to Appendix 1 of the Announcement Press Release that is included as Annex 1 to the Memorandum of Understanding.

Negotiation Process and Procedural Fairness. Alcatel Lucent s board of directors considered the fact that the terms of the Memorandum of Understanding and the Exchange Offer were the result of robust arm s-length negotiations conducted by Alcatel Lucent, with the knowledge and at the direction of Alcatel Lucent s board of directors, and with the assistance of its financial and legal advisors. Alcatel Lucent s board of directors believed that, as a result of such process, it has obtained Nokia s best and final offer, and that, as of the date of the Memorandum of Understanding, the exchange ratio represented the highest implied consideration per Alcatel Lucent Share reasonably obtainable.

Business and Financial Condition of Alcatel Lucent. Alcatel Lucent s board of directors considered the current and historical financial condition, results of operations, business, competitive position, properties, assets and prospects of Alcatel Lucent. Alcatel Lucent s board of directors evaluated, based on their knowledge of and their familiarity with Alcatel Lucent s business, financial condition and results of operations, Alcatel Lucent s financial plan and prospects of Alcatel Lucent if it were to remain independent. Alcatel Lucent s board of directors considered Alcatel Lucent s current financial plan, including the risks associated with achieving and executing upon Alcatel Lucent s business plans, as well as the industry, economic and market conditions and trends in the markets and competitive environment in which Alcatel Lucent operates.

Business and Financial Condition of Nokia. Alcatel Lucent s board of directors considered, based on the diligence exercise conducted, the current and historical financial condition, results of operations, business, competitive position, properties, assets and prospects of Nokia, as well as the industry, economic and market conditions and trends in the markets and competitive environment in which Nokia operates.

Strategic Alternatives. Alcatel Lucent s board of directors considered potential alternatives to the Exchange Offer, including the possibility that Alcatel Lucent would continue to operate as an independent entity, the potential benefits to the holders of Alcatel Lucent Securities of these alternatives and the timing and likelihood of successfully completing such alternatives, as well as the belief of Alcatel Lucent s board of directors that none of these alternatives was reasonably likely to create greater value for the holders of Alcatel Lucent Securities taking into account risks of execution as well as business, competitive, industry and market risks. Alcatel Lucent s board of directors also considered the fact that Alcatel Lucent had actively explored transactions other than the Exchange Offer with other market participants as described in the section entitled Background of the Exchange Offer of this exchange offer/prospectus.

Participation in the Future of the Combined Businesses. Alcatel Lucent s board of directors considered that the combination of the businesses of Alcatel Lucent and Nokia will continue to offer holders of Alcatel Lucent Securities who participate in the Exchange Offer and receive Nokia Shares or Nokia ADSs would have the opportunity to participate in any future earnings or growth of the combined businesses of Alcatel Lucent and Nokia and benefit from any potential future appreciation in the value of the Nokia Shares or Nokia ADSs. In particular,

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Alcatel Lucent s board of directors considered the following factors in relation to participation of holders of Alcatel Lucent Securities in the future of the combined businesses:

a combination of the businesses of Nokia and Alcatel Lucent would offer a unique opportunity to create a European champion and global leader in ultra-broadband, IP networking and cloud applications and provide a platform to accelerate Alcatel Lucent s strategic vision, with the financial strength and critical scale needed to develop the next generation of network technology, including 5G;

the combined businesses would be expected to have strong innovation capabilities, with Alcatel Lucent s Bell Labs and Nokia s FutureWorks, as well as Nokia Technologies, which Nokia stated would remain as a separate entity with a clear focus on licensing and the incubation of new technologies, and with more than 40,000 R&D employees and investment of EUR 4.7 billion in R&D in 2014, the combined businesses would be in a position to accelerate development of future technologies including 5G, IP and software-defined networking, cloud, analytics as well as sensors and imaging;

Alcatel Lucent and Nokia also have highly complementary portfolios and geographies, with particular strength in the United States, China, Europe and Asia-Pacific, and would be expected to bring together complementary strengths in fixed and mobile broadband, IP routing, core networks, cloud applications and services;

the combined businesses would be positioned to target a larger addressable market with an improved growth profile as compared to Alcatel Lucent as a standalone business, and the belief of Alcatel Lucent s board of directors that consumers are increasingly seeking to access data, voice and video across networks, creating an environment in which technology that used to operate independently now needs to work together, and the belief of Alcatel Lucent s board of directors that the combined businesses would be well-placed to assist telecom operators, internet providers and other large enterprises address this challenge;

the combination of the businesses of Alcatel Lucent and Nokia would target approximately EUR 900 million of operating cost synergies within three years, assuming closing of the transaction in the first half of 2016, in a wide range of areas, including (i) organizational streamlining, rationalization of overlapping products and services, central functions, and regional and sales organizations; (ii) reduction of various overhead costs in real estate, manufacturing and supply-chain, information technology and overall general and administrative expenses, including redundant public company costs; (iii) procurement given expanded purchasing requirements of the combined businesses; and (iv) R&D efficiencies, particularly in wireless;

the combined businesses would also target reductions in interest expenses of approximately EUR 200 million to be achieved on a full year basis in 2017, with the Exchange Offer expected to be accretive to Nokia earnings on a non-IFRS basis (excluding restructuring charges and amortization of intangibles) in 2017;

the combined businesses would be expected to have a strong balance sheet;

Nokia has stated its intention to maintain its long term target to return to an investment grade credit rating and manage the combined capital structure accordingly by retaining significant gross and net cash positions and by proactively reducing indebtedness, including through exercise of an early repayment option for its EUR 750 million convertible bond in the fourth quarter of 2015, which is expected to result in the full conversion of this convertible bond to equity prior to the closing of the Exchange Offer, with no expected cash outflow;

although Nokia has stated that it has suspended its capital structure optimization program, including suspending the share repurchase program execution, effective immediately and until the Completion of the Exchange Offer, it has also indicated that it intends to evaluate the resumption of a capital structure optimization program for the combined businesses of Alcatel Lucent and Nokia;

Nokia s statement that Nokia Technologies, a source of innovation, expertise and intellectual property, would not be impacted by the Exchange Offer and will remain as a separate entity with a clear focus on incubating new technologies and sharing those technologies through an active licensing program; and

the combined businesses of Alcatel Lucent and Nokia, would be expected to have increased scale and scope in a variety of dimensions, including increased financial scale, greater diversification of markets, and a larger product portfolio than Alcatel Lucent alone, thereby diversifying certain of the risks associated with holding Alcatel Lucent Securities alone.

Opinion of Alcatel Lucent s Financial Advisor. Alcatel Lucent s board of directors considered the oral opinion of Zaoui delivered to it on April 14, 2015, which was confirmed by delivery of a written opinion dated April 14, 2015, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders, as further described in the section entitled Opinion of Alcatel Lucent s Financial Advisor . The full text of Zaoui s written opinion dated April 14, 2015, which sets forth a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Zaoui in preparing its opinion, is attached as Annex B-1 to this exchange offer/prospectus.

Due Diligence. Alcatel Lucent s board of directors considered the scope of the due diligence investigation of Nokia conducted by Alcatel Lucent s management, including (i) several days of reciprocal business due diligence sessions attended by representatives of Alcatel Lucent and Nokia, (ii) a detailed review of Nokia s financial statements with the assistance of outside advisors, (iii) dedicated diligence sessions on the strategy and operations of HERE and Nokia Technologies and (iv) the responses to diligence requests provided by representatives of Nokia in further management presentations or discussions with representatives of Alcatel Lucent responses;

Employee Matters and French Commitments. Alcatel Lucent s board of directors considered that Nokia has stated that it intends to maintain employment in France that is consistent with Alcatel Lucent s end-2015 Shift Plan commitments, with a particular focus on the key sites of Villarceaux (Essonne) and Lannion (Côtes d Armor). In addition, Nokia has stated that it expects to expand R&D employment with the addition of several hundred new positions targeting recent graduates with skills in future-oriented technologies, including 5G, to ensure ongoing support for customers, activities for support services, and that pre- and post-sales are expected to continue as well.

Governance of Nokia. Alcatel Lucent s board of directors considered Nokia s intention for the combined business following Completion of the Exchange Offer to include a leadership team built on strengths of both Nokia and Alcatel Lucent and the commitment by Nokia pursuant to the Memorandum of Understanding for the Corporate Governance & Nomination committee of Nokia s board of directors and Alcatel Lucent to jointly identify three nominees to Nokia s board of directors. Alcatel Lucent s board of directors considered that the election of these director nominees would be subject to a Completion of the Exchange Offer and the approval at Nokia s extraordinary general meeting by Nokia shareholders representing at least a majority of the votes cast.

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Likelihood of Completion. Alcatel Lucent s board of directors considered its belief that the Exchange Offer will likely be completed, based on, among other factors:

- the absence of any financing condition to Completion of the Exchange Offer, given the consideration is payable in Nokia Shares;
- the fact that the conditions to the commencement and Completion of the Exchange Offer are specific and limited in scope;
- its expectation that required regulatory and antitrust approvals would be obtained within a reasonable timeframe; and
- Alcatel Lucent s ability under the Memorandum of Understanding to pursue damages in certain circumstances.

Termination Fees Payable by Nokia. Alcatel Lucent s board of directors considered that the Memorandum of Understanding may require Nokia to pay termination fees to Alcatel Lucent in the event the Memorandum of Understanding is terminated under specified circumstances, including:

- a termination fee of EUR 150 million for termination by Alcatel Lucent or Nokia for the failure of Nokia to obtain the Nokia Shareholder Approval;
- a termination fee of EUR 300 million for termination by Alcatel Lucent for (i) a Nokia Change in Board Recommendation or (ii) a material breach by Nokia of certain obligations under the Memorandum of Understanding and Nokia having taken deliberate action to frustrate the Nokia Shareholder Approval;
- a termination fee of EUR 100 million for termination by Alcatel Lucent for failure to receive the required foreign investment approval in France; and
- a termination fee of EUR 400 million for termination by Alcatel Lucent or Nokia for failure to receive certain required regulatory and antitrust approvals, other than the foreign investment approval in France, or as a result of an injunction or law prohibiting the Exchange Offer.

Alcatel Lucent s board of directors considered that the amount of the termination fees that may be payable by Nokia were comparable to fees in transactions of a similar size, including transactions in the European market, were reasonable in light of the circumstances, were likely to encourage Nokia to comply with the terms of the Memorandum of Understanding and promote the Completion of the Exchange Offer. Alcatel Lucent s board of directors also considered provisions regarding the possible limitations on Nokia s payment of termination fees as a result of such fees being found unlawful or unenforceable. Alcatel Lucent s board of directors also recognized that the provisions in the Memorandum of Understanding relating to these termination fees and the amounts of such termination fees were determined following robust arm s-length negotiations.

Other Terms of the Memorandum of Understanding. Alcatel Lucent s board of directors considered the other terms of the Memorandum of Understanding, which are more fully described in the section entitled The Memorandum of Understanding . Certain other terms of the Memorandum of Understanding that Alcatel Lucent s board of directors considered important included:

Minimum Tender Condition. Completion of the Exchange Offer is conditioned on the satisfaction of the Minimum Tender Condition, which, if satisfied, would demonstrate strong support for the Exchange Offer by holders of Alcatel Lucent Securities because satisfaction of the Minimum Tender Condition would require that at least a majority of Alcatel Lucent Shares (calculated on a fully-diluted basis) would have been tendered in the Exchange Offer and not withdrawn. Alcatel Lucent s board of directors also considered that the Minimum Tender Condition, as a result of being determined by a majority of Alcatel Lucent Shares (calculated on a fully-diluted basis), was more likely to be satisfied than a higher threshold and more likely to provide certainty to holders of Alcatel Lucent Securities that Nokia would complete the Exchange Offer. Alcatel Lucent s board therefore viewed the Minimum Tender Condition as preferable to potentially higher minimum levels for tenders in the Exchange Offer. Alcatel Lucent s board of directors also considered that Nokia would have the ability to waive potentially higher minimum levels for tenders in the Exchange Offer and have greater optionality in respect of Completion of the Exchange Offer. Alcatel Lucent s board of directors considered that, subject to applicable SEC and AMF rules and regulations, Nokia reserves the right, in its sole discretion, to waive the Minimum Tender Condition, but cannot waive the Mandatory Minimum Acceptance Threshold.

Ability to Respond to Certain Unsolicited Alternate Proposals. If at any time Alcatel Lucent receives a bona fide written Alternate Proposal or any written request for non-public information or inquiry relating to Alcatel Lucent by any person or group of persons who has or is expected to make any bona fide written Alternate Proposal, in each case that Alcatel Lucent s board of directors determines in good faith constitutes or is reasonably likely to lead to a Superior Proposal, Alcatel Lucent may engage or otherwise participate in any discussions or negotiations (including by way of furnishing non-public information or granting access to any of the properties or assets of Alcatel Lucent or its subsidiaries), subject to certain conditions as described in the section entitled The Memorandum of Understanding No Solicitation of Alternate Proposals .

Ability of Alcatel Lucent to Change Board Recommendation in Response to Superior Proposal. At any time, Alcatel Lucent s board of directors may make a Change in Alcatel Lucent Board Recommendation in response to the receipt of any bona fide written Alternate Proposal that Alcatel Lucent s board of directors determines in good faith constitutes a Superior Proposal, subject to certain conditions as described in the section entitled The Memorandum of Understanding Change in Alcatel Lucent Board Recommendation . Alcatel Lucent s board of directors considered that a termination fee of EUR 300 million may be payable by Alcatel Lucent to Nokia following termination of the Memorandum of Understanding by Alcatel Lucent or Nokia for a Change in Alcatel Lucent Board Recommendation in response to a Superior Proposal.

Ability of Alcatel Lucent to Change Board Recommendation in Response to an Alcatel Lucent Intervening Event. At any time prior to the filing of the French Offer with the AMF, Alcatel Lucent s board of directors may make a Change in Alcatel Lucent Board Recommendation in response to an Alcatel Lucent Intervening Event (as defined in the Memorandum of Understanding), which may result from certain changes that were unknown and not reasonably foreseeable by Alcatel Lucent s board of directors on the date of the Memorandum of Understanding, subject to certain conditions. Alcatel Lucent s board of directors considered that a termination fee of EUR 300 million may be payable by Alcatel Lucent to Nokia following termination of the Memorandum of Understanding by Nokia for a Change in Alcatel Lucent Board Recommendation in response to an Alcatel Lucent Intervening Event.

Ability of Alcatel Lucent to Change Board Recommendation in Response to Nokia Material Adverse Effect. At any time after the filing of the French Offer with the AMF and following reasonable notice to Nokia, Alcatel Lucent s board of directors may make a Change in Alcatel Lucent Board Recommendation in response to a Material Adverse Effect (as defined in the Memorandum of Understanding) with respect to Nokia, if Alcatel

Lucent s board of directors determines in good faith (after consultation with its outside legal counsel and financial advisors) that its failure to do so would be inconsistent with its fiduciary duties under applicable law.

Standstill. In the event that the Memorandum of Understanding is terminated by Alcatel Lucent for a material breach by Nokia of certain obligations under the Memorandum of Understanding or a Nokia Change in Board Recommendation, then for the longer of (i) 12 months following the date of such termination and (ii) 18 months following the date of the Memorandum of Understanding, Nokia has agreed, subject to certain exceptions, not to acquire or offer to acquire any equity securities of Alcatel Lucent.

Long-Stop Date. Alcatel Lucent s board of directors believed that the long-stop date of the Memorandum of Understanding, which is June 30, 2016 (and which may be extended to September 30, 2016 in certain circumstances), allows for sufficient time to file the French Offer while minimizing the length of time that Alcatel Lucent would be required to operate subject to interim operating covenants.

Cooperation. Nokia has agreed to cooperate with Alcatel Lucent and to use its reasonable best efforts to cause the Conditions to the Exchange Offer to be satisfied and to launch and complete the Exchange Offer as promptly as reasonably practicable. Nokia has also agreed to use its commercially reasonable best effort to obtain all consents pursuant to contracts to which Alcatel Lucent or its subsidiaries is a party as is reasonably necessary or advisable in connection with the Completion of the Exchange Offer.

Alcatel Lucent Material Adverse Effect. The Memorandum of Understanding excludes certain matters when determining whether a Material Adverse Effect (as defined in the Memorandum of Understanding) has occurred with respect to Alcatel Lucent, the occurrence of which would permit Nokia to terminate the Memorandum of Understanding. The exclusions comprise (i) any change in global, national or regional political conditions (including the outbreak of, or changes in, war, acts of terrorism or other hostilities) or in general global, national or regional economic, regulatory or market conditions or in national or global financial or capital markets, so long as in each case such changes do not disproportionately impact Alcatel Lucent and its subsidiaries relative to other participants in the same or similar industries; (ii) any change in applicable accounting principles or any adoption, implementation or change in any applicable law (including any law in respect of taxes) or any interpretation thereof by a relevant authority; (iii) any change generally affecting similar industries or market sectors in the geographic regions in which Alcatel Lucent and its subsidiaries operate, so long as in each case such changes do not disproportionately impact the Person and its Subsidiaries relative to other participants in the same or similar industries; (iv) the negotiation, execution, announcement or performance of the Memorandum of Understanding or completion of the transactions contemplated thereby; (v) any change or development to the extent resulting from any action by Alcatel Lucent and its subsidiaries that is expressly required to be taken by the Memorandum of Understanding; (vi) any change resulting from or arising out of hurricanes, earthquakes, floods, or other natural disasters; (vii) the failure of Alcatel Lucent and its subsidiaries to meet any internal or public projections, forecasts or estimates of performance, revenues or earnings (it being understood that any change, condition, effect, event or occurrence that caused such failure but that are not otherwise excluded from the definition of Material Adverse Effect may constitute or contribute to a Material Adverse Effect); (viii) the announcement of Nokia as the prospective acquirer of Alcatel Lucent and its subsidiaries or any announcements or communications by or authorized by Nokia regarding Nokia s plans or intentions with respect to Alcatel Lucent and its subsidiaries (including the impact of any such announcements or communications

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on relationships with customers, suppliers, employees or regulators); or (ix) any actions (or the effects of any actions) taken (or omitted to be taken) by Alcatel Lucent and its subsidiaries upon the written request or written instruction of, or with the written consent of, Nokia.

In reaching its determination and recommendation described above, Alcatel Lucent s board of directors also considered the following potentially negative factors:

Fixed Exchange Ratio. Alcatel Lucent s board of directors considered the fact that because the consideration for Alcatel Lucent Shares in the Exchange Offer is a fixed exchange ratio of Nokia Shares, holders of Alcatel Lucent Shares could be adversely affected by a decrease in the trading price of the Nokia Shares and the fact that neither the Memorandum of Understanding nor the terms of the Exchange Offer provide for any adjustment of the exchange ratio if the trading price of Nokia Shares decreases or a price-based termination right or other similar protection in favor of Alcatel Lucent or holders of Alcatel Lucent Shares. Alcatel Lucent s board of directors determined that this structure was appropriate and the risk acceptable in view of the ability of each holder of Alcatel Lucent Securities to choose whether to accept the exchange ratio at the time of the Exchange Offer. Alcatel Lucent s board of directors also considered the opportunity holders of Alcatel Lucent Shares have as a result of the fixed exchange ratio to benefit from any increase in the trading price of Nokia Shares between the announcement and Completion of the Exchange Offer.

Integration. Alcatel Lucent s board of directors considered the risk that the potential benefits of the Exchange Offer and the combination of the businesses of Alcatel Lucent and Nokia, including any potential synergies relating to the combination of the businesses of Alcatel Lucent and Nokia, will not be realized or will not be realized within the expected time period and the risks and challenges associated with the integration, including as a result of less than all Alcatel Lucent Securities being acquired by Nokia in the Exchange Offer or any subsequent squeeze-out. Alcatel Lucent s board of directors considered that, based on the level of diligence conducted by Nokia and the discussions regarding the proposed integration process, the integration of the businesses of Alcatel Lucent and Nokia was reasonably likely to be completed within a reasonable time following the Completion of the Exchange Offer.

Risks the Exchange Offer May Not Be Completed. Alcatel Lucent s board of directors considered the risk that any of the conditions to the commencement or Completion of the Exchange Offer, including receipt of required regulatory and antitrust approvals, receipt of the Nokia Shareholder Approval and satisfaction of the Minimum Tender Condition, would not be satisfied and that the Exchange Offer may therefore not be completed. In particular, Alcatel Lucent s board of directors considered that the resolution contemplated by the Nokia Shareholder Approval must be approved by shareholders representing at least two-thirds of the votes cast and Nokia Shares represented at such extraordinary general meeting of Nokia s shareholders. Alcatel Lucent s board of directors also considered the risks and costs to Alcatel Lucent if the Exchange Offer is not completed, including the diversion of management and employee attention, potential employee attrition, the potential effect on vendors, distributors, customers, partners and others that do business with Alcatel Lucent and the potential effect on the trading price of Alcatel Lucent Securities. Alcatel Lucent s board of directors considered its expectation that required regulatory and antitrust approvals would be obtained within a reasonable timeframe, as well as the fact that termination fees may be payable by Nokia to Alcatel Lucent following termination of the Memorandum of Understanding for failure to receive required regulatory or antitrust approvals. Alcatel Lucent s board of directors also considered that the opening of the Exchange Offer would result in an adjustment to the conversion/exchange ratio of the OCEANEs, and that such adjustment would have a corresponding dilutive effect on other holders of Alcatel Lucent Securities even if the Exchange Offer is not completed.

Nokia Shareholder Approval. Alcatel Lucent s board of directors considered that Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into the Exchange Offer would be subject to receipt of the Nokia Shareholder Approval and that there was no guarantee that such approval would be obtained. In particular, Alcatel Lucent s board of directors considered the fact that the Nokia shareholders meeting would not be called until after all relevant regulatory and antitrust approvals had been received and that the resolution contemplated by the Nokia Shareholder Approval must be approved by Nokia shareholders representing at least two-thirds of the votes cast and Nokia Shares represented at such extraordinary general meeting of Nokia s shareholders. Alcatel Lucent s board of directors also considered that a termination fee of EUR 150 million may be payable by Nokia to Alcatel Lucent following termination of the Memorandum of Understanding by Alcatel Lucent or Nokia for failure of Nokia shareholders to approve the authorization for Nokia s board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for Alcatel Lucent Securities tendered into the Exchange Offer and for the Completion of the Exchange Offer.

Ability of Nokia to Change Board Recommendation in Response to a Nokia Intervening Event. At any time prior to the Nokia shareholder vote, Nokia s board of directors may make a Change in Nokia Board Recommendation in response to a Nokia Intervening Event, which may result from certain changes that were unknown and not reasonably foreseeable by Nokia s board of directors on the date of the Memorandum of Understanding, subject to certain conditions as described in the section entitled The Memorandum of Understanding Change in Nokia Board Recommendation . Alcatel Lucent s board of directors considered that a termination fee of EUR 300 million may be payable by Nokia to Alcatel Lucent following termination of the Memorandum of Understanding by Alcatel Lucent for a Nokia Change in Board Recommendation in response to a Nokia Intervening Event.

Non-Solicitation Covenant. Alcatel Lucent s board of directors considered that the Memorandum of Understanding requires Alcatel Lucent not to and to cause its subsidiaries not to and to use its reasonable best efforts to cause its and its subsidiaries senior officers, directors or representatives not to solicit alternate proposals from third parties with respect to the purchase of Alcatel Lucent Securities or assets or other business combination transactions. However, based upon Alcatel Lucent s prior exploration of certain strategic alternatives, as described in the section entitled Background of the Exchange Offer in Schedule 14D-9, Alcatel Lucent s board of directors believed it had a strong basis for determining that the Exchange Offer was the best transaction reasonably likely to be available to Alcatel Lucent, and that Alcatel Lucent s board of directors retained the ability to respond to certain unsolicited Alternate Proposals and make a Change in Alcatel Lucent Board Recommendation in response to a Superior Proposal.

Expense Reimbursement and Termination Fees Payable by Alcatel Lucent. Alcatel Lucent s board of directors considered that the Memorandum of Understanding may require Alcatel Lucent to pay expense reimbursement or termination fees in specified circumstances, including:

- an expense reimbursement of up to EUR 40 million for termination by Alcatel Lucent or Nokia in circumstances relating to the Independent Expert Report or Alcatel Lucent French Group Committee process;

- an expense reimbursement of EUR 100 million for termination by Alcatel Lucent or Nokia in circumstances relating completion of a second Alcatel Lucent French Group Committee process required as a result of material changes in commitments to the government of France which are materially adverse to Alcatel Lucent s employees;

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- a termination fee of EUR 300 million for (i) termination by Alcatel Lucent or Nokia for withdrawal of the French Offer following any decision or measure by Alcatel Lucent s board of directors leading to such withdrawal, (ii) termination by Alcatel Lucent or Nokia following a Change in Alcatel Lucent Board Recommendation in response to a Superior Proposal or (iii) termination by Nokia for a Change in Alcatel Lucent Board Recommendation other than in response to a Superior Proposal or a Material Adverse Effect in respect of Nokia; and

- a termination fee of EUR 300 million for termination by Alcatel Lucent or Nokia for failure of the Minimum Tender Condition where (i) there has been a public announcement of an Alternate Proposal, (ii) there has been no Change in Alcatel Lucent Board Recommendation, and (iii) Alcatel Lucent later enters into and completes such Alternate Proposal.

Alcatel Lucent s board of directors considered that the amount of the expense reimbursement and termination fees were comparable to fees in transactions of a similar size, including transactions in the European market, were reasonable in light of the circumstances and were not likely to deter alternate proposals. Alcatel Lucent s board of directors also considered provisions regarding the possible limitations on Alcatel Lucent s payment of termination fees as a result of such fees being found unlawful or unenforceable. Alcatel Lucent s board of directors also recognized that the provisions in the Memorandum of Understanding relating to these fees were insisted upon by Nokia as a condition to entering into the Memorandum of Understanding, and the amounts were determined following robust arm s-length negotiations.

- *Interim Operating Covenants.* Alcatel Lucent s board of directors considered that from the date of the Memorandum of Understanding until the earlier to occur of the Exchange Offer completion date or the termination of the Memorandum of Understanding, Alcatel Lucent has agreed to conduct its business and the business of its subsidiaries in the ordinary course consistent with past practice. The Memorandum of Understanding also imposes restrictions on the conduct of Alcatel Lucent s business prior to the Completion of the Exchange Offer that may limit Alcatel Lucent and its subsidiaries from taking specified actions, which may delay or prevent Alcatel Lucent from undertaking business opportunities that may arise pending Completion of the Exchange Offer including in respect of issuances, sales and disposals of Alcatel Lucent Securities, incurrence of indebtedness, creation of liens, sales or disposals of assets, settlement of litigation, amendment or termination of material contracts, entry into non-competes that would restrict the business of Nokia or materially restrict the business of Alcatel Lucent and maintenance of intellectual property rights.

- *Potential Conflicts of Interest.* Alcatel Lucent s board of directors considered the potential conflict of interest created by the fact that Alcatel Lucent s directors and executive officers may have financial interests in the transactions contemplated by the Memorandum of Understanding, including the Exchange Offer, that may be different from or in addition to those of other holders of Alcatel Lucent Securities, as described in the section entitled Item 3. Past Contacts, Transactions, Negotiations and Agreements in Schedule 14D-9 filed by Alcatel Lucent with the SEC.

In the course of reaching its determination to approve the Memorandum of Understanding and the transactions contemplated thereby, including the Exchange Offer, Alcatel Lucent s board of directors considered numerous factors, including the factors specified in the foregoing discussion, and Alcatel Lucent s board of directors concluded that the positive factors relating to the Memorandum of Understanding and the transactions contemplated thereby, including the Exchange Offer, substantially outweighed the potential negative factors. The foregoing discussion of information and factors considered and given weight by Alcatel Lucent s board of directors is not intended to be exhaustive, but includes the principal factors considered by Alcatel Lucent s board of directors. In view of the variety of factors considered in connection with its evaluation of the Memorandum of Understanding

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and the transaction contemplated thereby, including the Exchange Offer, Alcatel Lucent s board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determinations. In addition, individual members of Alcatel Lucent s board of directors may have given different weights to different factors.

Reasons for the Alcatel Lucent Board Recommendation

In accordance with Article 231-19 of the AMF General Regulation, at its meeting on October 28, 2015, the participating members of the Alcatel Lucent board of directors unanimously delivered a reasoned opinion (*avis motivé*) of the Exchange Offer for Alcatel Lucent, the holders of Alcatel Lucent Securities and Alcatel Lucent s employees. The following is a translation from French of the original reasoned opinion of Alcatel Lucent s board of directors. Certain terminology has been conformed to the defined terms used in this exchange offer/prospectus and certain typographical conventions have been conformed to United States usage.

The present reasoned opinion has been reached by the following members of the Alcatel Lucent board of directors, who were present: Mr. Philippe Camus, Ms. Carla Cico, Mr. Stuart E. Eizenstat, Ms. Kim Crawford Goodman, Mr. Jean-Cyril Spinetta and Ms. Sylvia Summers, it being specified that, in light of their proposed nomination to the board of directors of Nokia, Mr. Louis R. Hughes, Mr. Jean C. Monty and Mr. Olivier Piou decided not to participate in the discussions on and not to vote on the reasoned opinion. Mr. Francesco Caio was absent.

Alcatel Lucent s board of directors was reminded that in order to diligently complete its assessment of the Exchange Offer and to reach a reasoned opinion on the Exchange Offer, it was assisted by Zaoui, as financial advisor to Alcatel Lucent, and Sullivan & Cromwell, as legal advisor to Alcatel Lucent.

In accordance with Article 231-19 of the AMF General Regulation and pursuant to the provisions of the Memorandum of Understanding, Alcatel Lucent s board of directors was required to provide its assessment of the Exchange Offer and the expected impact of the Exchange Offer on Alcatel Lucent, holders of Alcatel Lucent Securities and employees of Alcatel Lucent.

The Chairman of Alcatel Lucent s board of directors reminded the members of the rationale and the main terms and conditions of the proposed combination of the businesses of Alcatel Lucent and Nokia, as agreed in the Memorandum of Understanding, dated as of April 15, 2015, as amended by the Memorandum of Understanding Amendment, dated as of October 28, 2015, and as announced on April 15, 2015. The Chairman also notes that the Exchange Offer is expected to be filed with the AMF on October 29, 2015.

The Chairman noted to the members that Alcatel Lucent s board of directors had received the Independent Expert Report of the Independent Expert, Associés en Finance, which was appointed as independent expert in accordance with Article 261-1 et seq. of the AMF General Regulation, on the financial terms of the Exchange Offer.

The Chairman also noted to the members that representatives of Zaoui presented their oral opinion, which was confirmed by delivery of a written opinion dated October 28, 2015, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

Alcatel Lucent s board of directors has also taken the following into consideration:

Premium of Exchange Ratio Over Alcatel Lucent Shares Trading Price. Alcatel Lucent s board of directors considered that, based on the closing share price of Nokia Shares of EUR 7.77 on

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April 13, 2015, the exchange ratio offered an equivalent of EUR 4.27 per Alcatel Lucent Share (or EUR 4.48 per Alcatel Lucent Share on a fully diluted basis), and valued Alcatel Lucent at EUR 15.6 billion on a fully diluted basis, corresponding to:

- a premium to holders of Alcatel Lucent Shares of 11% and a fully diluted premium of 16%, in each case based on the closing price of Alcatel Lucent Shares (on Euronext Paris) as of April 13, 2015;

- a premium to holders of Alcatel Lucent Shares of 18% and a fully diluted premium of 24%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning March 16, 2015 and ending April 13, 2015;

- a premium to holders of Alcatel Lucent Shares of 28% and a fully diluted premium of 34%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning January 14, 2015 and ending April 13, 2015;

- a premium to holders of Alcatel Lucent Shares of 48% and a fully diluted premium of 55%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning October 14, 2014 and ending April 13, 2015; and

- a premium to holders of Alcatel Lucent Shares of 54% and a fully diluted premium of 61%, in each case based on the weighted average price of Alcatel Lucent Shares (on Euronext Paris) for the period beginning April 11, 2014 and ending April 13, 2015.

The fully diluted premiums above reflect the implied premium paid by Nokia to Alcatel Lucent s market capitalization, based on volume weighted average price of Alcatel Lucent Shares over the referenced period, as adjusted for the dilutive effect of the OCEANEs, which represent a substantial portion of Alcatel Lucent Shares on a fully diluted basis.

Exchange Ratio for the OCEANEs. Alcatel Lucent s board of directors considered that the exchange ratio applicable to each series of OCEANEs pursuant to the Exchange Offer is based on the conversion/exchange ratio applicable to that series, including the temporary adjustment to each of the conversion/exchange ratios as a result of the opening of the French Offer in accordance with the terms and conditions set out in the prospectus of each series of OCEANEs. The exchange ratio would represent a premium to the historical trading prices of each series of OCEANEs over various periods, including, based on the closing price of Nokia Shares of EUR 7.77 on April 13, 2015, a premium to holders of 2018 OCEANEs of 28%, a premium to holders of 2019 OCEANEs of 13% and a premium to holders of 2020 OCEANEs of 13%, based on the closing prices of each series of OCEANEs (on Euronext Paris) as of April 13, 2015 and an opening date of the Exchange Offer of November 18, 2015. Alcatel Lucent s board of directors considered the conclusions of the Independent Expert reflected in the Independent Expert Report. In particular, according to the Independent Expert Report, as of April 9, 2015, which was assumed by the Independent Expert to be the latest date prior to rumors of a possible transaction between Alcatel Lucent and Nokia, the Exchange Offer with respect to the holders of OCEANEs displayed a premium to the intrinsic value (i.e., the value calculated based on certain assumptions defined by the Independent Expert) and to the listed price of each series of OCEANEs. The Independent Expert Report noted that as of October 23, 2015, the exchange ratio shows a substantial premium to the listed and to the intrinsic values of the 2018 OCEANEs and a very small discount (below 5%) to the listed and intrinsic values of the 2019 OCEANEs and the 2020 OCEANEs based on their respective 1-month or 3-month averages. In particular, the Independent Expert Report noted that, based on the estimated post-Exchange Offer intrinsic values of the OCEANEs, the exchange ratio proposed during the Exchange Offer would provide a premium of between 18.8% and 19.0% for the 2018 OCEANEs, a discount of between 0.4% and 3.5% for the 2019 OCEANEs and between a premium of 0.3% and a discount of 2.9% for the 2020 OCEANEs. The exchange

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ratio proposed for the 2019 OCEANEs and the 2020 OCEANEs pursuant to the Exchange Offer is equivalent to the spot listed prices of the OCEANEs and to their intrinsic values at October 23, 2015. The Independent Expert Report also noted that it is important to mention that the listed prices and the intrinsic values of the OCEANEs reflect current market conditions and current liquidity levels. The Independent Expert Report noted that holders of OCEANEs that choose to keep their OCEANEs would, should the Exchange Offer be successful, take the risk of a substantial drop in liquidity of the underlying Alcatel Lucent Shares and of the OCEANEs. The Independent Expert Report also noted that, on the other hand, should the Exchange Offer fail, such holders of OCEANEs would take the risk of a potential drop in the price of the Alcatel Lucent Shares. The Independent Expert Report concluded that the exchange ratio of 0.6930 Nokia Shares for one 2018 OCEANE, 0.7040 Nokia Shares for one 2019 OCEANE and 0.7040 Nokia Shares for one 2020 OCEANE is fair.

Participation in the Future of the Combined Businesses. Alcatel Lucent s board of directors considered that the combination of the businesses will continue to offer holders of Alcatel Lucent Securities who participate in the Exchange Offer and receive Nokia Shares the opportunity to participate in any future earnings or growth of the combined businesses of Alcatel Lucent and Nokia and benefit from any potential future appreciation in the value of the Nokia Shares. In particular, Alcatel Lucent s board of directors considered the following factors in relation to participation of holders of the Alcatel Lucent Securities in the future of the combined businesses:

a combination of the businesses of Nokia and Alcatel Lucent would offer a unique opportunity to create a European champion and global leader in ultra-broadband, IP networking and cloud applications and provide a platform to accelerate Alcatel Lucent s strategic vision, with the financial strength and critical scale needed to develop the next generation of network technology, including 5G;

the combined businesses would be expected to have strong innovation capabilities, with Alcatel Lucent s Bell Labs and Nokia s FutureWorks, as well as Nokia Technologies, which Nokia stated would remain as a separate entity with a clear focus on licensing and the incubation of new technologies, and with more than 40,000 R&D employees and investment of EUR 4.7 billion in R&D in 2014, the combined businesses would be in a position to accelerate development of future technologies including 5G, IP and software-defined networking, cloud, analytics as well as sensors and imaging;

Alcatel Lucent and Nokia also have highly complementary portfolios and geographies, with particular strength in the United States, China, Europe and Asia-Pacific, and would be expected to bring together complementary strengths in fixed and mobile broadband, IP routing, core networks, cloud applications and services;

the combined businesses would be positioned to target a larger addressable market with an improved growth profile as compared to Alcatel Lucent as a standalone business, and the belief of Alcatel Lucent s board of directors that consumers are increasingly seeking to access data, voice and video across networks, creating an environment in which technology that used to operate independently now needs to work together, and the belief of Alcatel Lucent s board of directors that the combined businesses would be well-placed to assist telecom operators, internet providers and other large enterprises address this challenge;

the combination of the businesses of Alcatel Lucent and Nokia would target approximately EUR 900 million of operating cost synergies within three years, assuming closing of the transaction in the first half of 2016, in a wide range of areas, including (i) organizational streamlining, rationalization of overlapping products and services, central functions, and regional and sales organizations; (ii) reduction of various overhead

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costs in real estate, manufacturing and supply-chain, information technology and overall general and administrative expenses, including redundant public company costs; (iii) procurement given expanded purchasing requirements of the combined businesses; and (iv) R&D efficiencies, particularly in wireless;

the combined businesses would also target reductions in interest expenses of approximately EUR 200 million to be achieved on a full year basis in 2017, with the Exchange Offer expected to be accretive to Nokia earnings on a non-IFRS basis (excluding restructuring charges and amortization of intangibles) in 2017;

the combined businesses would be expected to have a strong balance sheet;

Nokia has stated its intention to maintain its long term target to return to an investment grade credit rating and manage the combined capital structure accordingly by retaining significant gross and net cash positions and by proactively reducing indebtedness, including through exercise of an early repayment option for its EUR 750 million convertible bond in the fourth quarter of 2015, which is expected to result in the full conversion of this convertible bond to equity prior to the completion of the Exchange Offer, with no expected cash outflow;

although Nokia has stated that it will suspend its capital structure optimization program, including suspending the share repurchase program execution until the completion of the Exchange Offer, it has also indicated that it intends to evaluate the resumption of a capital structure optimization program for the combined businesses of Alcatel Lucent and Nokia;

Nokia s statement that Nokia Technologies, a source of innovation, expertise and intellectual property, would not be impacted by the Exchange Offer and will remain as a separate entity with a clear focus on incubating new technologies and sharing those technologies through an active licensing program following Completion of the Exchange Offer; and

the combined businesses of Alcatel Lucent and Nokia, would be expected to have increased scale and scope in a variety of dimensions, including increased financial scale, greater diversification of markets, and a larger product portfolio than Alcatel Lucent alone, thereby diversifying certain of the risks associated with holding Alcatel Lucent Securities alone.

Enhanced Scale. Alcatel Lucent s board of directors considered that the enhanced scale of the combined businesses of Alcatel Lucent and Nokia would allow more effective competition in an economically challenging environment. Alcatel Lucent s board of directors also recognized that a combination of the businesses of Alcatel Lucent would be consistent with market preference for large vendors with scale and scope, particularly in the context of the advent of 5G and related required investments.

Rights Attaching to New Nokia Shares. Alcatel Lucent s board of directors considered that the new Nokia Shares will have the same rights and benefits as all existing ordinary shares of Nokia, including the right to any future dividend.

Integration and Reorganization. Alcatel Lucent s board of directors considered Nokia s announcement that the strategic direction of Alcatel Lucent will be to continue to offer leading solutions in Alcatel Lucent s business lines by taking advantage of the increased customer base attributable to the combination of Nokia and Alcatel Lucent. Nokia has stated that it intends to integrate Alcatel Lucent into the Nokia group as soon as possible after the Completion of the Exchange Offer. In addition Nokia has stated that, as soon as possible following the Completion of the Exchange Offer, it intends to propose changes to the composition of the Alcatel Lucent board of directors. The composition of the Alcatel Lucent board of directors will take into account the new share ownership structure of Alcatel Lucent and in particular, the ownership level of Nokia. Nokia has also stated that it currently expects that after the Completion of the Exchange Offer, the Nokia Networks business would be conducted through four business groups: Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. Nokia has stated that these business groups would provide an end-to-end portfolio of products, software and services to enable the combined company to deliver the next generation of leading networks solutions and services to customers. Alongside these, Nokia Technologies would continue to operate as a separate business group. Each business group would have strategic, operational and financial responsibility for its portfolio and would be fully accountable for meeting its targets. The four Networks business groups would have a common Integration and Transformation Office to drive synergies and to lead integration activities. Nokia has stated that the business group leaders would report directly to Nokia s President and Chief Executive Officer and stated the following:

Mobile Networks (MN) would include Nokia s and Alcatel Lucent s comprehensive Radio portfolios and most of their converged Core network portfolios including IMS/VoLTE and Subscriber Data Management, as well as the associated mobile networks-related Global Services business. This unit would also include Alcatel Lucent s Microwave business and all of the combined company s end-to-end Managed Services business. Through the combination of these assets, Mobile Networks would provide leading end-to-end mobile networks solutions for existing and new platforms, as well as a full suite of professional services and product-attached services.

Fixed Networks (FN) would comprise the current Alcatel Lucent Fixed Networks business whose cutting-edge innovation and market position would be further supported through strong collaboration with the other business groups. This business group would provide copper and fiber access products and services to offer customers ultra-broadband end-to-end solutions to transform their networks, deploying fiber to the most economical point.

Applications & Analytics (A&A) would combine the Software and Data Analytics-related operations of both companies. This comprehensive applications portfolio would include Customer Experience Management, OSS as distinct from network management such as service fulfilment and assurance, Policy and Charging, services, Cloud Stacks, management and orchestration, communication and collaboration, Security Solutions, network intelligence and analytics, device management and Internet of Things connectivity management platforms. CloudBand would also be housed in this business group, which would drive innovation to meet the needs of a convergent, Cloud-centric future.

IP/Optical Networks (ION) would combine the current Alcatel Lucent IP Routing, Optical Transport and IP video businesses, as well as the software defined networking (SDN) startup, Nuage, plus Nokia s IP partner and Packet Core portfolio. IP/Optical Networks would continue to drive Alcatel-Lucent s technology leadership, building large scale IP/Optical infrastructures for both service providers and, increasingly, web-scale and tech-centric enterprise customers.

Nokia Technologies (TECH) would remain as a separate entity with a clear focus on licensing and the incubation of new technologies. Nokia Technologies would continue to have its own innovation, product development and go-to-market operations.

Nokia has also stated that it expects to align its financial reporting under two key areas: Nokia Technologies and the Networks business. The Networks business would comprise the business groups of Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical

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Networks. Nokia has also stated that it expects to provide selective financial data separately for each of the four Networks business groups to ensure transparency for Nokia investors over the performance of each of them.

Strategic Announcements by Nokia. Alcatel Lucent s board of directors considered Nokia s announcement on August 3, 2015, of its agreement to sell its HERE digital mapping and location services business to a consortium of leading automotive companies, comprising AUDI AG, BMW Group and Daimler AG. The transaction values HERE at an enterprise value of EUR 2.8 billion with a normalized level of working capital and is expected to close in the first quarter of 2016, subject to customary closing conditions and regulatory approvals. Upon closing, Nokia estimates that it will receive net proceeds of slightly above EUR 2.5 billion, as the purchaser would be compensated for certain defined liabilities of HERE currently expected to be slightly below EUR 300 million as part of the transaction. Alcatel Lucent s board of directors considered that strategic alternatives with respect to HERE were taken into account at the time of approval of the entry of Alcatel Lucent into the Memorandum of Understanding.

Strategic Decision by Alcatel Lucent. Alcatel Lucent s board of directors considered Alcatel Lucent s decision, announced on October 6, 2015, that it will continue to operate its undersea cables business, Alcatel Lucent Submarine Networks or ASN, as a wholly owned subsidiary. Alcatel Lucent s board of directors considered that ASN will continue to execute its strategic roadmap, strengthen its leadership in submarine cable systems for telecom applications and pursue further diversification in the Oil & Gas Sector. Alcatel Lucent s board of directors considered that possible strategic alternatives with respect to ASN were taken into account at the time of approval of the entry of Alcatel Lucent into the Memorandum of Understanding.

Conditions to the Filing of the Exchange Offer. In accordance with the terms and conditions of the Memorandum of Understanding, the filing of the Exchange Offer is subject to the fulfillment of certain conditions contained in the Memorandum of Understanding. In particular, Alcatel Lucent s board of directors notes that:

Nokia has obtained all required antitrust and competition approvals (including from the European Commission, the United States and China);

Nokia has obtained approval from the Committee on Foreign Investment in the United States;

Nokia has obtained approval from Ministry of Economy, Industry and Digital Technology of the French Republic pursuant to applicable regulation on foreign investments in France (Articles L. 151-1 *et seq.* and R. 153-1 *et seq.* of the French Monetary and Financial Code);

all approvals from the banking and insurance regulators have been obtained, including the European Central Bank, required due to the indirect change of control of certain subsidiaries; and

Nokia s board of directors has recommended that the shareholders of Nokia approve the authorization for the Nokia board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for Alcatel Lucent Securities tendered into the Exchange Offer and for the Completion of the Exchange Offer, and has not subsequently withdrawn such recommendation.

Conditions to the Completion of the Exchange Offer. In accordance with French law and the AMF General Regulation, the Memorandum of Understanding, the exchange offer/prospectus and the draft French Offer document (*projet de note d information*) prepared by Nokia, the Completion of the Exchange Offer is subject to the following conditions:

the Minimum Tender Condition; and

the Nokia Shareholder Approval.

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Alcatel Lucent s board of directors considered that, subject to applicable SEC and AMF rules and regulations, Nokia reserves the right, in its sole discretion, to waive the Minimum Tender Condition to any level at or above the Mandatory Minimum Acceptance Threshold.

Other Provisions of the Memorandum of Understanding. Alcatel Lucent s board of directors considered that the provisions of the Memorandum of Understanding, including the obligations of Alcatel Lucent under the Memorandum of Understanding, and the transactions contemplated thereby continue to be in the best interests of Alcatel Lucent, its employees and its stakeholders (including holders of Alcatel Lucent Shares and holders of other Alcatel Lucent Securities).

Previous Opinion of Alcatel Lucent s Financial Advisor. Alcatel Lucent s board of directors considered the oral opinion of Zaoui delivered to it on April 14, 2015, which was confirmed by delivery of a written opinion dated April 14 , 2015, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

French Offer Document. Alcatel Lucent s board of directors considered the draft French Offer document (*projet de note d information*) prepared by Nokia, including the reasons for the Exchange Offer, Nokia s intentions following Completion of the Exchange Offer, the agreements that may have an impact on the Exchange Offer, the terms of the Exchange Offer, the assessment of the exchange ratio and the valuation analysis prepared by Société Générale, acting as the presenting bank in connection with the French Offer, which Nokia intends to file together with the French Offer with the AMF on October 29, 2015.

Finnish Listing Prospectus. The Finnish listing prospectus for the listing of Nokia Shares on Nasdaq Helsinki, which was approved by the Finnish Financial Supervisory Authority on October 23, 2015 and which was notified to the AMF on October 26, 2015, in accordance with the mechanism of the European Passport in the Prospective Directive No. 2003/71/CE of November 4, 2003, for listing of Nokia Shares on the Euronext Paris, and in particular the sections entitled The Alcatel Lucent Transaction , The Memorandum of Understanding and The Exchange Offer , which describe the Exchange Offer and the combination of the businesses of Alcatel Lucent and Nokia.

Finnish Proxy Materials. The Finnish proxy materials made available to Nokia s shareholders on October 26, 2015, and in particular the section entitled Recommendation of Nokia s Board of Directors which contained the recommendation of Nokia s board of directors that the shareholders of Nokia approve the authorization for Nokia s board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for Alcatel Lucent Securities tendered into the Exchange Offer and for the Completion of the Exchange Offer.

Exchange Offer/Prospectus. The exchange offer/prospectus included in the registration statement on Form F-4 filed by Nokia with the SEC on August 14, 2015, as amended on October 22, 2015, and in particular the section entitled Reasons for the Exchange Offer which described the rationale for the combination of the businesses of Alcatel Lucent and Nokia and the section entitled Risk Factors which described the principal risks related to the Exchange Offer and Nokia.

Alcatel Lucent French Group Committee Information. The information document provided by Nokia to the Alcatel Lucent French Group Committee on the Exchange Offer and their opinion dated June 1, 2015, as well as the report of the advisor appointed by the Alcatel Lucent French Group Committee dated May 22, 2015.

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French Response Document. The draft response document (*projet de note en réponse*) prepared by Alcatel Lucent.
Based on the Independent Expert Report, Alcatel Lucent s board of directors also acknowledged that when considering the exchange ratio offered in the Exchange Offer to the Company holders of Alcatel Lucent Securities, the Independent Expert stated in its Independent Expert Report that:

The Exchange Offer is optional for both holders of Alcatel Lucent Shares and holders of OCEANEs in the sense that they can choose to tender their securities into the Exchange Offer or not.

the Independent Expert s work, through a multi-criteria analysis, had led to the following results:

The exchange ratio of 0.5500 Nokia Share for 1 Alcatel Lucent Share shows a premium of +6% to the implied ratio based on share prices as of April 9, 2015 and a premium between +9% and +14%, for the 1, 2 and 3 month volume weighted average prices of both shares. Given numerous rumors about consolidation scenarios in the sector and notably around Alcatel Lucent and Nokia, it is likely that the price of Alcatel Lucent Shares was already incorporating a speculative premium. As a matter of fact, the exchange ratio for the 6 and 9 month volume weighted average prices before April 9, 2015, shows a premium of +27% and +29% respectively.

Looking at a diversified sample of Telecom Equipment manufacturers, the comparable companies valuation analysis, based on market forecast consensus as of October 23, 2015, leads up to an average implied parity of 0.50. At 0.5500 Nokia Share for 1 Alcatel Lucent Share, the proposed exchange ratio provides a premium of +10% to the valuation of the two companies using the comparable valuation approach.

The intrinsic valuation of Alcatel Lucent and Nokia based on the discounted cash flow methodology (DCF to firm or DCF to equity) using, for the short term market consensus forecast and for the longer term Trival modeling, leads to an implied parity between 0.48 and 0.52 based on market conditions prevailing as of October 23, 2015 and without taking into account any impact of the combination. Hence, the exchange ratio of 0.5500 Nokia Share for 1 Alcatel Lucent Share provides a premium of +6% to +14% to these implied parities.

Based on the above, at 0.5500 Nokia Share for 1 Alcatel Lucent Share, the exchange ratio is fair for holders of Alcatel Lucent Shares.

The Exchange Offer, in respect of both Alcatel Lucent Shares and OCEANEs, entails a change, during the offer period, in the conversion/exchange ratios of each series of OCEANEs. The Exchange Offer with respect to each series of OCEANEs takes into account this adjustment to the conversion/exchange ratio. Thus, the number of Nokia Shares to be exchanged will depend on the success ratio of the Exchange Offer, in particular with respect to each series of OCEANEs. However, regardless of the result of the Exchange Offer with respect to each series of OCEANEs and the number of Nokia Shares that will consequently be issued, the exchange ratio of 0.5500 Nokia Shares per Alcatel Lucent Share is higher than the implicit parities coming from the discounted cash flow calculation performed by the Independent Expert based on market conditions as of October 23, 2015. Hence confirming that the Exchange Offer is fair with respect to the Alcatel Lucent Shares.

Beyond the premium that holders of Alcatel Lucent Shares will get compared to the intrinsic valuation, holders of Alcatel Lucent Shares that tender their Alcatel Lucent Shares, will become holders of Nokia Shares, one of the most liquid shares of the Euro zone, and it is expected that the liquidity of the Nokia Shares will further increase should the Exchange Offer be successful. In addition, those holders of Nokia Shares will be in a position to benefit from the potential incremental value creation if the planned synergies materialize.

The Exchange Offer is optional for the holders of OCEANEs and allows them, should they tender their OCEANEs, to benefit from the same financial conditions that they would get if they decide first to convert their OCEANEs into Alcatel Lucent Shares and then to tender these Alcatel Lucent Shares into the Exchange Offer. Therefore there is no breach of parity between shareholders and OCEANE holders.

As of April 15, 2015, the date of announcement of the contemplated combination, the Exchange Offer with respect to the holders of OCEANEs displayed a premium to the intrinsic value and to the listed price of each series of OCEANEs. The Independent Expert Report noted that as of October 23, 2015, the exchange ratio shows a substantial premium to the listed and to the intrinsic value of the 2018 OCEANEs and a very small discount (below 5%) to the listed and intrinsic values of the 2019 OCEANEs and the 2020 OCEANEs based on their respective 1-month or 3-month averages. In particular, the Independent Expert Report noted that, based on the estimated post-Exchange Offer intrinsic values of the OCEANEs, the exchange ratio proposed during the Exchange Offer would provide a premium of between 18.8% and 19.0% for the 2018 OCEANEs, a discount of between 0.4% and 3.5% for the 2019 OCEANEs and between a premium of 0.3% and a discount of 2.9% for the 2020 OCEANEs. The exchange ratio proposed for the 2019 OCEANEs and the 2020 OCEANEs pursuant to the Exchange Offer is equivalent to the spot listed prices of the OCEANE bonds and to their intrinsic values at October 23, 2015. It is important to mention that the listed prices and the intrinsic values of the OCEANE reflect current market conditions and current liquidity levels. Holders of OCEANEs that choose to keep their OCEANEs would, should the Exchange Offer be successful, take the risk of a substantial drop in liquidity of the underlying Alcatel Lucent Shares and of the OCEANEs. On the other hand, should the Exchange Offer fail, such holders of OCEANEs would take the risk of a potential drop in the price of the Alcatel Lucent Shares. Hence, the exchange ratio of 0.6930 Nokia Shares for one 2018 OCEANE, 0.7040 Nokia Shares for one 2019 OCEANE and 0.7040 Nokia Shares for one 2020 OCEANE is fair.

Alcatel Lucent s board of directors considered that, based on the valuation work of the Independent Expert and the above explanations, the Independent Expert concluded that the terms of the Exchange Offer by Nokia for Alcatel Lucent Shares and OCEANEs are fair.

Alcatel Lucent s board of directors considered that the full text of the Independent Expert Report of the Independent Expert, Associés en Finance, dated October 28, 2015, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the report, would be attached to Alcatel Lucent s Schedule 14D-9 and response document (*note en réponse*) available to holders of Alcatel Lucent Securities.

Finally, Alcatel Lucent s board of directors reviewed the potential consequences of the Exchange Offer on the stakeholders of Alcatel Lucent, including the employees of Alcatel Lucent, and acknowledged the following:

Continued Presence in France. Nokia has stated that it is a global company, with deep roots and heritage in many parts of the world and that when it joins with Alcatel Lucent, Nokia expects that France, where Alcatel Lucent is a fundamental participant in the technology ecosystem, will be a vibrant center of the combined company. Nokia has stated that it intend to be an important contributor to the overall development of the broader technology ecosystem and a driver of innovation in France. Nokia has stated that consistent with this goal, it expected that after the Completion of the Exchange Offer Nokia will have a presence in France that spans leading innovation activities including a 5G/Small Cell Research &

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Development Centre of Excellence; a Cyber-Security lab similar to Nokia s existing facility in Berlin designed to support European collaboration on the topic; and a continued focus on Bell Labs and wireless Research & Development. Nokia has stated that engaging with and supporting projects and academic efforts that enhance the development of future technologies will remain an important priority.

Employment in France. Nokia has also stated that it intends to maintain employment in France that is consistent with Alcatel Lucent s end-2015 Shift Plan commitments, with a particular focus on the key sites of Villarceaux (Essonne) and Lannion (Côtes d Armor). In addition, Nokia has stated that it expects to expand R&D employment with the addition of several hundred new positions targeting recent graduates with skills in future-oriented technologies, including 5G, to ensure ongoing support for customers, activities for support services, and that pre- and post-sales are expected to continue as well. In the context of the proposed combination with Alcatel Lucent and subject to its consummation, Nokia has stated that its commitments in France relating to employment are the following:

Follow the Shift plan commitments regarding the level of employment in France, for a period of at least two years after the Completion of the Exchange Offer. The base comprises Alcatel Lucent France/International (ALUI) operational heads (excluding branches), Bell Labs France, RFS (Radio Frequency Systems) and excluding ASN (Alcatel-Lucent Submarine Networks) and EU factory (landing point of the reference perimeter is 4,200 headcount and excluding RFS unit). Nokia will maintain resources from its French operations throughout the reference period to support its customers in France;

Strengthen the operations and activity levels for the long term at the two major technology sites of Villarceaux (Essonne) and Lannion (Cotes d Armor) following the Completion of the Exchange Offer, with a focus on augmenting existing activities, functions, and advanced research work;

Increase significantly and sustainably the R&D presence in France scaling up 5G, IP network management platforms (incl. Software Defined Networking) and cyber-security with employment evolving from 2,000 people to 2,500 people including the recruiting of at least 300 newly graduated talents over the coming three years. The R&D employment level will be maintained for a period of at least four years after the Completion of the Exchange Offer;

Localize in France worldwide technology centers of expertise following the Completion of the Exchange Offer, including in the areas of: 5G and Small Cells R&D to anchor France in the future of wireless activities for the combined group, as France will be equipped with a full 5G innovation engine which will encompass research activities with Bell Labs, development activities as well as end to end platforms and trial networks; IP management platforms (incl. Software Defined Networking); cyber Security (research, product development and platforms) while continuing to leverage the partnership established by Alcatel Lucent with Thalès; Bell Labs; and Wireless Transmission;

A major worldwide corporate organization in charge of strategic innovation including networks research and Bell Labs will be led from France and will comprise key staff members; maintain some operations and activities at operational hubs located in France and providing services to other locations in the world following the consummation of the transaction, including in the areas of local support services and local pre- and post-sales resources for France and selected European & African countries; and

Take all necessary measures to find sustainable solutions for the French employees who could be impacted by the rationalization of corporate activities between Nokia and Alcatel Lucent.

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Additional French Commitments. Nokia has stated that in its discussions with the French government, Nokia has confirmed that France will play a leading role in the combined company s R&D operations. Nokia will build on the strong competencies in the country within key technology areas, on the existing presence of Alcatel Lucent and its strong engagement in the technology ecosystem in France, and on the excellent new technical talent available from French universities. In addition to the employed-related commitments described in the section entitled Intentions of Nokia over the next twelve months Intentions of Nokia with respect to employment in France , Nokia has stated that it has made the following commitments in the context, and subject to, the proposed combination with Alcatel Lucent:

Alcatel Lucent will be represented by three board members in the combined company. Nokia will be also listed on Euronext Paris. The combined company will establish or keep the adequate legal entities in France and comply with French regulations related to sensitive contracts.

Nokia expects to benefit from becoming a deeply embedded part of France, tapping into and helping develop the technology ecosystem of the country. Nokia will invest further in the digital innovation ecosystem in France following the Completion of the Exchange Offer, primarily through the establishment of a long-term investment fund in the range of EUR 100 million. This fund will mainly target the Internet of Things, cyber-security and software platform enablers for next generation networks.

Nokia intends to support the development of the overall telecom ecosystem in France and to ensure continuity of Alcatel Lucent s current initiatives. This involves playing an active role in the government s Industry of the Future program, funding academic tuition, programs and chairs, situating technology experts within France (such as within Bell Labs France), and continuing Alcatel Lucent s involvement in major initiatives such as *Pôles de compétitivité* Systematic, Cap Digital, and Images and Réseaux. Nokia will also develop three industrial platforms and networks prototypes in France within the fields of 5G, Industrial Internet, Internet of Things connectivity and cyber-security.

Nokia has stated that following the Completion of the Exchange Offer, Nokia, which will remain headquartered in Finland, intends to leverage the combined strengths of the companies strategic business locations and major R&D centers in other countries, including Finland, Germany, the United States and China.

Nokia has committed, upon Completion of the Exchange Offer, to providing regular updates to the French government as the integration of the two companies progresses.

Employee Arrangements. Pursuant to the Memorandum of Understanding, Alcatel Lucent agreed to accelerate or waive certain terms of the Alcatel Lucent Stock Options, Performance Shares and Performance Units in connection with the Exchange Offer, subject to certain conditions. Pursuant to the Memorandum of Understanding, Nokia and Alcatel Lucent have also agreed to enter into Liquidity Agreements with certain holders of Alcatel Lucent Stock Options, Performance Shares and Performance Units, pursuant to which such holders would be entitled to receive Nokia Shares under certain circumstances.

Employee Considerations. Alcatel Lucent completed the consultation with its French Group Committee as required by applicable French regulations. The French Group Committee indicated in its opinion of June 1, 2015 that it did not oppose the proposed combination of Alcatel Lucent with Nokia. Alcatel Lucent s board of directors considered that Alcatel Lucent s employees would benefit from the combination due to multiple factors, including the enhanced scale of the combined businesses of Alcatel Lucent and Nokia, the stability provided by the combined balance sheet of Alcatel Lucent and Nokia and the commitments made by Nokia in relation to employment, as further described above.

Customers and Suppliers Support. Alcatel Lucent s board of directors considered that there is substantial support from customers and suppliers for the combination of the businesses of

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Alcatel Lucent and Nokia, including as a result of the enhanced scale of the combined businesses of Alcatel Lucent and Nokia and as a result of the stability provided by the combined balance sheet of Alcatel Lucent and Nokia.

Governance of Alcatel Lucent. Nokia has stated that Alcatel Lucent s board of directors, in case of success of the Exchange Offer, will reflect the new share ownership structure of Alcatel Lucent, and in particular, the ownership level of Nokia. Alcatel Lucent s board of directors expects that Alcatel Lucent s board of directors will be mainly composed of Nokia representatives, with remaining positions being held by independent directors in accordance with the requirements of the AFEP-MEDEF Code, to the extent applicable to Alcatel Lucent at the relevant time.

Governance of Nokia. Nokia has committed pursuant to the Memorandum of Understanding for the Corporate Governance & Nomination committee of Nokia s board of directors and Alcatel Lucent to jointly identify three nominees to Nokia s board of directors, and has nominated Mr. Louis R. Hughes, Mr. Jean C. Monty and Mr. Olivier Piou. Nokia further nominated Mr. Piou as the Vice Chairman of Nokia s board of directors. Alcatel Lucent s board of directors considered that the election of these director nominees would be subject to a Completion of the Exchange Offer and the approval at Nokia s extraordinary general meeting by Nokia shareholders representing at least a majority of the votes cast. Alcatel Lucent s board of directors also considered that on October 7, 2015, Nokia announced the planned leadership of Nokia post-Completion of the Exchange Offer. However, no resolution regarding the composition of the Nokia Leadership team following the Completion of the Exchange Offer has been made.
Alcatel Lucent s board of directors considered that Nokia has stated that no resolution had been made as to which of the abovementioned persons would serve as members of the Nokia Group Leadership Team after the Completion of the Exchange Offer. The proposed appointments would only be implemented after the successful Completion of the Exchange Offer and be subject to the completion of the relevant works council consultation procedures, if any.

As a result of the foregoing, the participating members of Alcatel Lucent s board of directors, taking into account the factors above, unanimously:

(i) determined that the Exchange Offer is in the best interest of Alcatel Lucent, its employees and its stakeholders (including the holders of Alcatel Lucent Shares and holders of other Alcatel Lucent Securities);

(ii) recommended that all holders of Alcatel Lucent Shares and holders of Alcatel Lucent ADSs tender their Alcatel Lucent Shares and/or their Alcatel Lucent ADSs pursuant to the Exchange Offer; and

(iii) recommended that all holders of OCEANEs tender their OCEANEs pursuant to the Exchange Offer.

Alcatel Lucent s board of directors draws the attention of the holders of the OCEANEs to the fact that, under the terms of each of the OCEANEs, the opening of the Exchange Offer will result in, among other things, a temporary adjustment to the conversion/exchange ratio applicable to each series of OCEANEs and, in certain circumstances, the right of holders of OCEANEs to request early redemption of outstanding OCEANEs during a specified period, at a price calculated in accordance with the terms of the relevant OCEANEs. As a result, holders of OCEANEs will have a number of alternatives to tendering into the Exchange Offer available with respect to the OCEANEs held, each of which has different characteristics and are subject to specific risks, which the holders of OCEANEs will have to appreciate based on their specific situation and the then prevailing circumstances.

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For further information on such alternatives and on the consequences of the Exchange Offer under the terms of each of the OCEANEs, see the section entitled The Exchange Offer Matters Relevant for OCEANEs Holders , the prospectus applicable to each series of OCEANEs and the Independent Expert Report, filed with Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to Alcatel Lucent Security holders together with this exchange offer/prospectus and is incorporated herein by reference.

The board of directors noted that all the members of Alcatel Lucent s board of directors (Mr. Philippe Camus, Mr. Francesco Caio, Ms. Carla Cico, Mr. Stuart E. Eizenstat, Ms. Kim Crawford Goodman, Mr. Louis R. Hughes, Mr. Jean C. Monty, Mr. Olivier Piou, Mr. Jean-Cyril Spinetta and Ms. Sylvia Summers) confirmed that, within the limit provided by Article 12 of the By-Laws of Alcatel Lucent (i.e., each member shall retain 500 Alcatel Lucent Shares), he or she intends to validly tender or cause to be validly tendered pursuant to the Exchange Offer all Alcatel Lucent Securities held of record or beneficially owned by such director immediately prior to the Expiration Date (other than Alcatel Lucent Securities for which such holder does not have discretionary authority). In addition, the 2010 annual shareholders meeting of Alcatel Lucent authorized the payment of additional attendance fees (*jetons de présence*) to directors, subject to each director (i) using the additional fees received (after taxes) to purchase Alcatel Lucent Shares and (ii) holding the acquired Alcatel Lucent Shares for the duration of his or her term of office. As a result, each member of Alcatel Lucent s board confirmed that he or she will hold any Alcatel Lucent Shares purchased with these additional fees for so long as he or she remains a director of Alcatel Lucent and any such restrictions remain applicable.

The terms of Alcatel Lucent s Performance Shares plans and related decisions of Alcatel Lucent s board of directors require that Mr. Philippe Camus continues to hold the Alcatel Lucent Shares granted in connection therewith and the Alcatel Lucent Shares purchased in connection therewith for so long as he remains the Chairman of Alcatel Lucent s board of directors. Mr. Camus is also required to continue to hold any Alcatel Lucent Shares acquired during his term for so long as he remains in office. As a result, Mr. Camus confirmed that he will not be allowed to tender the Shares he holds into the Exchange Offer, given that and for as long as these undertakings to hold the Alcatel Lucent Shares he holds are enforceable.

The foregoing does not include any Alcatel Lucent Securities over which, or with respect to which, any director acts in a fiduciary or representative capacity or is subject to the instructions of a third party with respect to such tender.

Alcatel Lucent s board of directors also confirmed that, pursuant to the terms of the Memorandum of Understanding, Alcatel Lucent will, and will cause each of its subsidiaries to, tender into the Exchange Offer all Alcatel Lucent Securities held by Alcatel Lucent or any of its subsidiaries as of the date of the opening of the French Offer, other than those Alcatel Lucent Securities held for purposes of (i) Alcatel Lucent Shares to be granted in lieu of accelerated Alcatel Lucent Performance Shares and (ii) Alcatel Lucent Shares to be granted pursuant to the 2015 Performance Share Plan.

In the course of reaching its determination that the Exchange Offer is in the best interests of Alcatel Lucent, its employees and its stakeholders (including holders of Alcatel Lucent Shares and holders of other Alcatel Lucent Securities) and its recommendation that holders of Alcatel Lucent Securities accept the Exchange Offer and tender their Alcatel Lucent Securities into the Exchange Offer, Alcatel Lucent s board of directors considered numerous factors, including the factors specified in the foregoing discussion and the factors discussed in the section entitled Reasons for Approving the Memorandum of Understanding . The foregoing discussion of information and factors considered and given weight by Alcatel Lucent s board of directors is not intended to be exhaustive, but is believed to include all of the principal factors considered by Alcatel Lucent s board of directors in making its

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determination and recommendation. In view of the variety of factors considered in connection with its evaluation of the Exchange Offer, Alcatel Lucent s board of directors did not find it practicable to, and did not, quantify or otherwise assign relative weights to the specific factors considered in reaching its determination and recommendation. In addition, individual members of Alcatel Lucent s board of directors may have given different weights to different factors.

In arriving at their respective determination and recommendations, the directors of Alcatel were aware of the interests of executive officers and directors of Alcatel Lucent as set forth in the section entitled Item 3. Past Contacts, Transactions, Negotiations and Agreements in Schedule 14D-9.

The full text of Zaoui s updated written opinion dated October 28, 2015, which sets forth a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Zaoui in preparing its updated opinion, is attached as Annex B-2 to this exchange offer/prospectus.

An unofficial English translation of the full text of the Independent Expert Report of the Independent Expert, Associés en Finance, dated October 28, 2015, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the report, is attached as Annex C to Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to Alcatel Lucent Security holders together with this exchange offer/prospectus and is incorporated herein by reference, and Alcatel Lucent urges holders of Alcatel Lucent Securities to carefully read the Independent Expert Report in its entirety.

Intent to Tender

Subject to the paragraph below, each member of Alcatel Lucent s board of directors (Mr. Philippe Camus, Mr. Francesco Caio, Ms. Carla Cico, Mr. Stuart E. Eizenstat, Ms. Kim Crawford Goodman, Mr. Louis R. Hughes, Mr. Jean C. Monty, Mr. Olivier Piou, Mr. Jean-Cyril Spinetta and Ms. Sylvia Summers) confirmed that, within the limit provided by Article 12 of the By-Laws of Alcatel Lucent (i.e., each member shall retain 500 Alcatel Lucent Shares), he or she intends to validly tender or cause to be validly tendered pursuant to the Exchange Offer all Alcatel Lucent Securities held of record or beneficially owned by such director immediately prior to the Expiration Date (other than Alcatel Lucent Securities for which such holder does not have discretionary authority). In addition, the 2010 annual shareholders meeting of Alcatel Lucent authorized the payment of additional attendance fees (*jetons de présence*) to directors, subject to each director (i) using the additional fees received (after taxes) to purchase Alcatel Lucent Shares and (ii) holding the acquired Alcatel Lucent Shares for the duration of his or her term of office. As a result, each member of Alcatel Lucent s board confirmed that he or she will hold any Alcatel Lucent Shares purchased with these additional fees for so long as he or she remains a director of Alcatel Lucent and any such restrictions remain applicable.

The terms of Alcatel Lucent s Performance Shares plans and related decisions of Alcatel Lucent s board of directors require that Mr. Philippe Camus continues to hold the Alcatel Lucent Shares granted in connection therewith and the Alcatel Lucent Shares purchased in connection therewith for so long as he remains the Chairman of Alcatel Lucent s board of directors. Mr. Camus is also required to continue to hold any Alcatel Lucent Shares acquired during his term for so long as he remains in office. As a result, Mr. Camus confirmed that he will not be allowed to tender the Shares he holds into the Exchange Offer, given that and for as long as these undertakings to hold the Alcatel Lucent Shares he holds are enforceable.

The foregoing does not include any Alcatel Lucent Securities over which, or with respect to which, any director acts in a fiduciary or representative capacity or is subject to the instructions of a third party with respect to such tender.

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The number of Alcatel Lucent Securities held by executive officers and directors as of April 13, 2015, and as of October 27, 2015, is set forth under in Schedule 14D-9.

Certain employee holdings of Alcatel Lucent Shares are managed collectively through the FCP 2AL Mutual Fund (*Fonds Commun de Placement Actionnariat Alcatel-Lucent*) (FCP 2AL). FCP 2AL is a special mutual fund (*Fonds Commun de Placement d Entreprise*) put in place for the implementation of the incentive agreements and the corporate savings plans, entered into between the companies of the Alcatel Lucent group and their employees. FCP 2AL is categorized as a mutual fund invested in listed securities of the company (*FCPE investi en titres cotés de l entreprise*). FCP 2AL s management objective is to enable the unit holders to participate in Alcatel Lucent s development by investing a minimum of 95% of assets managed by FCP 2AL in Alcatel Lucent Shares, the remainder being invested in Euro monetary UCITS (*OPCVM Monétaire Euro*) and/or liquid instruments. FCP 2AL s performance mirrors the performance of the Alcatel Lucent Shares both upwards and downwards.

The mutual fund supervisory board (*conseil de surveillance du Fonds Commun de Placement Actionnariat*) of FCP 2AL, which held 1.16% of Alcatel Lucent s share capital and 2.31% of voting rights of Alcatel Lucent as of June 30, 2015, will decide whether or not to tender the Alcatel Lucent Shares it holds. It will announce such determination in a press release. If such Alcatel Lucent Shares are tendered into the Exchange Offer the supervisory board of FCP 2AL will amend the rules of the fund, subject to approval of these amendments by the AMF, in order to substitute any reference in the plan to Alcatel Lucent by Nokia .

Alcatel Lucent will and will cause each of its subsidiaries to tender into the Exchange Offer all Alcatel Lucent Securities held by Alcatel Lucent or any of its subsidiaries as of November 18, 2015, the expected date of the opening of the Exchange Offer, other than those Alcatel Lucent Securities held for purposes of (i) Alcatel Lucent Shares to be granted in lieu of accelerated Performance Shares and (ii) Alcatel Lucent Shares to be granted in lieu of the non-granted Alcatel Lucent Stock Options.

As of November 10, 2015, the most recent practicable trading day before the opening of the Exchange Offer, Alcatel Lucent and its subsidiaries held Alcatel Lucent Shares in treasury, of which (i) Alcatel Lucent Shares were reserved to be granted in lieu of accelerated Alcatel Lucent Stock Options and (ii) Alcatel Lucent Shares were reserved to be granted pursuant to the 2015 Performance Share Plan.

For further information on the undertaking to tender accelerated Alcatel Lucent Stock Options and Performance Shares, see the section entitled The Memorandum of Understanding Additional Exchange Mechanism .

Opinions of Alcatel Lucent s Financial Advisor

Alcatel retained Zaoui as financial advisor to Alcatel Lucent s board of directors in connection with the Exchange Offer and the other transactions contemplated by the Memorandum of Understanding, which are collectively referred to as the Transaction throughout this section. In connection with this engagement, Alcatel Lucent s board of directors requested that, prior to Alcatel Lucent entering into the Memorandum of Understanding, Zaoui provide an opinion as to the fairness from a financial point of view to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, of the exchange ratio to be paid to such holders pursuant to the Exchange Offer.

On April 14, 2015, Zaoui delivered to Alcatel Lucent s board of directors its oral opinion, which was subsequently confirmed by delivery of a written opinion dated as of such date, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

Alcatel Lucent s board of directors further requested that, prior to determining that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) and recommending that holders of Alcatel Lucent Shares tender their Alcatel Lucent Shares into the Exchange Offer, Zaoui update its fairness opinion. On October 28, 2015, Zaoui delivered to Alcatel Lucent s board of directors its oral opinion, which was subsequently confirmed by delivery of a written opinion dated as of such date, to the effect that, as of such date and based upon and subject to the assumptions made, procedures followed, matters considered, and qualifications and limitations described in its written opinion, the exchange ratio proposed to be paid to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, Alcatel Lucent ADSs, pursuant to the Exchange Offer was fair from a financial point of view to such holders.

The full text of Zaoui s written opinions dated April 14, 2015 and October 28, 2015, which set forth a description of the assumptions made, procedures followed, matters considered, and qualifications and limitations upon the review undertaken by Zaoui in preparing its opinions, are attached as Annex B-I and Annex B-II, respectively, to this exchange offer/prospectus. The summary of the written opinions of Zaoui contained in this exchange offer/prospectus are qualified in their entirety by the full text of Zaoui s written opinions. Zaoui s advisory services and opinions were provided for the information and assistance of Alcatel Lucent s board of directors in connection with its consideration of the Transaction and whether to determine that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) and recommend the Exchange Offer to holders of Alcatel Lucent Securities and may not be used for any other purpose without Zaoui s prior written consent. In addition, Zaoui s opinions do not constitute a recommendation as to whether any holder of Alcatel Lucent Shares, including Alcatel Lucent ADSs, should tender their Alcatel Lucent Shares or Alcatel Lucent ADSs into the Exchange Offer or as to any other matter.

Zaoui expressed no opinion in either its April 14, 2015 opinion or its October 28, 2015 opinion as to the fairness from a point of view of the exchange ratio to be paid to the holders of the OCEANEs. Zaoui further noted that the Memorandum of Understanding provides that (i) if 95% or more of either (A) Alcatel Lucent Shares and voting rights or (B) Alcatel Lucent Shares and Alcatel Lucent Shares issuable upon conversion of the OCEANEs, in each case are owned by Nokia at the closing of the Exchange Offer, then Nokia shall implement a squeeze-out of the remaining Alcatel Lucent Shares and/or OCEANEs, as applicable within three months of closing the Exchange Offer or, if applicable, the subsequent offering period for the Exchange Offer; or (ii) if Nokia own less than 95% of Alcatel Lucent Shares or voting rights attached to Alcatel Lucent Shares at the closing of the Exchange Offer or, if applicable, the subsequent offering period for the Exchange Offer, Nokia reserves the right to (a) commence a mandatory buy-out of Alcatel Lucent Shares pursuant to Article 236-3 of the AMF General Regulation if at any time it owns 95% or more of the voting rights attached to Alcatel Lucent Shares, (b) commence at any time a simplified offer for Alcatel Lucent Shares pursuant to Article 233-1 et seq. of the AMF General Regulation, or (c) cause Alcatel to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent. Zaoui did not express any opinion in either its April 14, 2015 opinion or its October 28, 2015 opinion on any such transaction described in the preceding sentence.

In connection with rendering the opinions described above and performing its related financial analyses, Zaoui reviewed, among other things:

- a draft of the Memorandum of Understanding;
- annual reports to shareholders of Alcatel Lucent and Annual Reports on Form 20-F of Alcatel Lucent for the three fiscal years ended December 31, 2014;

annual reports to shareholders of Nokia and Annual Reports on Form 20-F of Nokia for the three fiscal years ended December 31, 2014;

certain interim reports to shareholders of each of Alcatel Lucent and Nokia;

certain other communications from Alcatel Lucent to its shareholders and from Nokia to its shareholders;

certain publicly available research analyst reports for Alcatel Lucent and Nokia;

with respect to the opinion delivered on April 14, 2015, certain publicly available forecasts for Alcatel Lucent derived from a consensus of selected analysts available as of April 13, 2015 (the Alcatel Lucent Street Forecasts);

with respect to the opinion delivered on April 14, 2015, certain publicly available forecasts for Nokia derived from a consensus of selected analysts available as of April 13, 2015 (the Nokia Street Forecasts);

with respect to the opinion delivered on October 28, 2015, certain publicly available forecasts for Alcatel Lucent derived from a consensus of selected analysts published after announcement of the Transaction and available as of October 27, 2015 (the Updated Alcatel Lucent Street Forecasts);

with respect to the opinion delivered on October 28, 2015, certain publicly available forecasts for Nokia derived from a consensus of selected analysts (published after announcement of the Transaction and available as of October 27, 2015 (the Updated Nokia Street Forecasts); and

certain publicly available operating and financial synergies estimates by the management of Nokia to result from the Exchange Offer (the Synergies).

Zaoui also participated in discussions with members of the senior managements of Alcatel Lucent and Nokia regarding their assessment of the strategic rationale for, and the potential benefits of, the Exchange Offer and the past and current business operations, financial condition and future prospects of Alcatel Lucent and Nokia; reviewed the reported price and trading activity for Alcatel Lucent Shares and Nokia Shares; compared certain financial and stock market information for Alcatel Lucent and Nokia with similar information for certain other companies the securities of which are publicly traded; reviewed the financial terms of certain recent comparable business combinations; and performed such other studies and analyses, and considered such other factors, as Zaoui deemed appropriate.

For purposes of rendering its opinions, Zaoui, with the consent of Alcatel Lucent, relied upon and assumed the accuracy and completeness of all of the financial, legal, regulatory, tax, accounting and other information provided to, discussed with or reviewed by, it, without assuming any responsibility for independent verification thereof. In that regard, Zaoui assumed, with the consent of Alcatel Lucent, with respect to the opinion delivered on April 14, 2015, that Alcatel Lucent Street Forecasts and Nokia Street Forecasts, and, with respect to the opinion delivered on October 28, 2015, the Updated Alcatel Lucent Street Forecasts and the Updated Nokia Street Forecasts, in each case were a reasonable basis upon which to evaluate the business and financial prospects of Alcatel Lucent and Nokia, respectively, and Zaoui also assumed that the Synergies had been reasonably prepared on a basis reflecting the best currently available estimates and judgments of Nokia s management. Zaoui had not made an independent evaluation or appraisal of the assets and liabilities (including any contingent, derivative or other off-balance sheet assets and liabilities) of Alcatel Lucent or Nokia or any of their respective subsidiaries and Zaoui had not been furnished with any such evaluation or appraisal. Zaoui assumed that all governmental, regulatory or other consents and approvals necessary for the completion of the Transaction would be obtained without any adverse effect on Alcatel Lucent or Nokia or on the expected benefits of the Transaction in any way meaningful to its analysis. Zaoui assumed

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that the Transaction would be consummated on the terms set forth in the draft Memorandum of Understanding, without the waiver or modification of any term or condition the effect of which would be in any way meaningful to its analysis.

Zaoui s opinions did not address the underlying business decision of Alcatel Lucent to engage in the Transaction, or the relative merits of the Transaction as compared to any strategic alternatives that may be available to Alcatel Lucent, or the decision of Alcatel Lucent s board of directors to determine that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) or recommend the Exchange Offer to holders of Alcatel Lucent Securities; nor did it address any legal, tax, regulatory or accounting matters. Zaoui was not authorized to conduct a process to solicit, and did not conduct a process to solicit, interest from any other third party with respect to any business combination or other extraordinary transaction in each case involving the sale of all or substantially all of the Alcatel Lucent Shares and/or assets of Alcatel Lucent. Zaoui s opinions address only the fairness from a financial point of view to the holders (other than Nokia and its affiliates) of Alcatel Lucent Shares, including Alcatel Lucent ADSs, as of the date of opinions, of the exchange ratio to be paid to such holders pursuant to the Memorandum of Understanding. Zaoui did not express any view on, and opinions did not address, any other term or aspect of the Memorandum of Understanding or the Transaction or any term or aspect of any other agreement or instrument contemplated by the Memorandum of Understanding or entered into or amended in connection with the Transaction, including, the form or structure of the Transaction or the likely timeframe in which the Transaction will be consummated, the fairness of the Transaction to, or any consideration received in connection therewith by, the holders of any other class of securities (including holders of OCEANEs), creditors, or other constituencies of Alcatel Lucent; nor as to the fairness of the amount or nature of any compensation to be paid or payable to any of the officers, directors or employees of Alcatel Lucent, or class of such persons, in connection with the Transaction, whether relative to the exchange ratio to be paid to the holders of Alcatel Lucent Shares, including Alcatel Lucent ADSs, pursuant to the Memorandum of Understanding or otherwise. Zaoui did not express any opinion as to the prices at which Nokia s shares will trade at any time or as to the impact of the Transaction on the solvency or viability of Alcatel Lucent or Nokia or the ability of Alcatel Lucent or Nokia to pay their respective obligations when they become due. Zaoui s opinions were necessarily based on economic, monetary, market and other conditions as in effect on, and the information made available to Zaoui as of, the date of such opinion and Zaoui assumed no responsibility for updating, revising or reaffirming any opinion given by it based on circumstances, developments or events occurring after the date of such opinion, it being understood that subsequent developments may affect any opinion given by Zaoui and the assumptions used in preparing it.

Summary of Zaoui s Financial Analysis Relating to its April 14, 2015 Opinion

The following is a summary of the material financial analyses prepared and reviewed with Alcatel Lucent s board of directors in connection with the opinion delivered on April 14, 2015. The following summary, however, does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinion of, Zaoui, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by Zaoui. Zaoui may have deemed various assumptions more or less probable than other assumptions, so the reference ranges resulting from any particular portion of the analyses summarized below should not be taken to be Zaoui s view of the actual exchange ratio. Some of the summaries of the financial analyses set forth below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses performed by Zaoui. Considering the data in the tables below without considering all financial analyses or factors or the full

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narrative description of such analyses or factors, including the methodologies and assumptions underlying such analyses or factors, could create a misleading or incomplete view of the processes underlying Zaoui s financial analyses and its opinion.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before April 13, 2015, and is not necessarily indicative of current market conditions.

The implied exchange ratio reference ranges described below were calculated using the number of Alcatel Lucent Shares outstanding on a fully diluted basis and the number of Nokia Shares outstanding on a fully diluted basis, in each case calculated on a treasury share method basis, taking into account outstanding in-the-money stock options in relation to Alcatel Lucent Shares and Nokia Shares, respectively, Performance Shares and Nokia Performance Shares, respectively, other equity awards and convertible securities (including the OCEANEs, with equity dilution based on adjusted conversion ratio as per the clause relating to takeover bids, in accordance with the terms of the OCEANEs), based on information provided by Alcatel Lucent and Nokia.

Historical Exchange Ratio Analysis Relating to its April 14, 2015 Opinion

Zaoui reviewed the historical trading prices for the publicly-traded Alcatel Lucent Shares and Nokia Shares for the 52 weeks prior to April 13, 2015. Zaoui calculated historical average exchange ratios over various periods by dividing the VWAP of Alcatel Lucent Shares over such period by the VWAP of Nokia Shares over the same period. The term VWAP refers to the volume weighted average price during a reference period which is the weighted average prices at which the relevant share traded during such period relative to the volumes at which such share traded at such prices. Zaoui sourced its VWAP information from Bloomberg. Zaoui then compared those exchange ratios to the exchange ratio.

The table below sets forth the historical average exchange ratios over the periods specified.

Time Periods	Exchange Ratio
Spot (April 13, 2015)	0.497x
1-month VWAP	0.497x
3-month VWAP	0.475x
6-month VWAP	0.428x
12-month VWAP	0.435x

The historical exchange ratio analysis performed by Zaoui indicated a range of exchange ratios of 0.428x to 0.497x, as compared to the exchange ratio of 0.550x.

Analyst Price Target Analysis Relating to its April 14, 2015 Opinion

Zaoui reviewed the target prices published by a number of equity analysts on each of the Alcatel Lucent Shares and Nokia Shares. Zaoui believes that equity analysts target prices provide a relevant benchmark to assess the exchange ratio as a large number of equity analysts cover each of Alcatel Lucent and Nokia and publish recommendations and target prices for each of the companies. In conducting its analysis, Zaoui considered price targets as of April 13, 2015 published by equity analysts from banks of international repute that cover and provide price targets for both of Alcatel Lucent and Nokia, and used these price targets to calculate an implied exchange ratio.

The following table sets forth the range of implied exchange ratios based on analyst price targets.

Price Target	Implied Exchange Ratio
High	0.651x
Low	0.329x

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The analyst price targets analysis performed by Zaoui indicated a range of implied exchange ratios of 0.329x to 0.651x, as compared to the exchange ratio of 0.550x.

Premiums Paid Analysis Relating to its April 14, 2015 Opinion

In order to assess the premium offered to holders of Alcatel Lucent Shares in the Transaction relative to the premiums offered to shareholders in other transactions, Zaoui reviewed the premiums paid in precedent share exchange transactions in France (Offre Publique d Echange or OPE) valued above EUR 1 billion since January 1, 2000, which transactions resulted in a change of control of the target company and where the consideration did not include a cash component. There were four such transactions in total reviewed by Zaoui for its analysis, which transactions are identified in the table below. The historical exchange ratios and implied premiums paid in these precedent share exchange transaction were disclosed in the relevant offering prospectuses filed with the AMF and publicly available on the AMF website. The mean of the premiums paid (calculated using the historical exchange ratios) in the precedent transactions reviewed were 23.0%, 21.7% and 19.5% over a 3-month, 6-month and 12-month period, respectively.

The following table sets forth the precedent transactions reviewed in connection with the premiums paid analysis.

Date Announced	**Acquirer**	**Target**
October 2014	Bolloré	Havas (63.8% stake)
May 2006	Fonciére des Régions	Bail Invest Fonciére (63% stake)
January 2001	Schneider Electric	Legrand
July 2000	Vinci	Groupe GTM

The premiums paid analysis performed by Zaoui indicated a range of implied exchange ratios of 0.520x to 0.589x, as compared to the exchange ratio of 0.550x. No company or transaction utilized in the premiums paid analysis is identical to Alcatel Lucent or Nokia or to the Transaction.

Selected Comparable Companies Analysis Relating to its April 14, 2015 Opinion

Alcatel Lucent Comparable Companies

Zaoui performed a selected comparable companies analysis with respect to Alcatel Lucent. For purposes of this analysis and comparison, Zaoui reviewed and analyzed certain financial information, valuation multiples and market trading data related to selected comparable publicly traded telecom equipment providers which it viewed, based on its professional judgment and experience and taking into account the company s business profile, geographic region and size, as reasonably comparable or relevant for purposes of this analysis of Alcatel Lucent. No company, independently or as part of a set, is identical to Alcatel Lucent or its business segments. As part of its analysis, Zaoui determined that Alcatel Lucent is not directly comparable to any other European or American telecom equipment provider company due to the relative contribution and difference in profitability of its Core Networking versus its Access activities. As a consequence, Zaoui determined to use a different set of comparable companies for Alcatel Lucent in each of Core Networking and Access as set forth below:

Core Networking Peers:

- Cisco Systems Inc.
- Ericsson
- Juniper Networks Inc.
- Amdocs Limited

Ciena Corporation

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Access Peers:

- Ericsson
- ZTE Corporation

For each of the Alcatel Lucent comparable companies, Zaoui calculated and compared the ratio of such company s enterprise value (calculated as the market capitalization of such company based on its closing share price on April 13, 2015, plus debt, less cash, cash equivalents and marketable securities, plus minorities and less associates) to such company s estimated earnings before interest and taxes (or EBIT) for each of the years ending December 31, 2015 and 2016. The financial information for each of the selected companies listed above and used by Zaoui in its analysis was based on public filings, consensus estimates, recent equity research reports and other publicly available information.

The following table sets forth the average of the trading multiples for the Alcatel Lucent comparable companies considered in this analysis for each of the years ending December 31, 2015 and 2016.

	Average for Year Ended December 31,	
Enterprise Value to Estimated EBIT	**2015**	**2016**
Core Networking	10.8x	9.5x
Access	14.8x	13.0x

In performing its analysis, Zaoui considered that price to earnings (or P/E) multiples tend to be very heterogeneous due to differences in depreciation and provisional accounting policies, as well as due to differences in capital structures, and that valuation based on P/E multiples is not commonly used by equity analysts in the telecom equipment provider sector, and therefore Zaoui determined not to undertake an analysis of the exchange ratio applying P/E multiples of comparable companies.

Nokia Comparable Companies

Zaoui performed a selected comparable companies analysis with respect to Nokia. For purposes of this analysis and comparison, Zaoui reviewed and analyzed certain financial information, valuation multiples and market trading data related to selected comparable publicly traded telecom equipment providers which it viewed, based on its professional judgment and experience and taking into account the company s business profile, geographic region and size, as reasonably comparable or relevant for purposes of this analysis of Nokia. No company, independently or as part of a set, is identical to Nokia or its business segments. As part of its analysis, Zaoui determined that Nokia is not directly comparable to any other European or American telecom equipment provider company due to its business profile and difference in nature between its Nokia Networks, HERE and Nokia Technologies businesses. As a consequence, Zaoui determined to use a different set of comparable companies for each of its Nokia Networks, HERE and Nokia Technologies businesses as set forth below:

Nokia Networks Peers:

- Cisco Systems Inc.
- Ericsson
- ZTE Corporation
- Juniper Networks Inc.

HERE Peers:

TomTom NV

Garmin Limited

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Nokia Technologies Peers:

Interdigital Inc.

Universal Display Corporation

Tessera Technologies Inc.

Dolby Laboratories Inc.

For each of the Nokia comparable companies, Zaoui calculated and compared the ratio of such company s enterprise value (calculated as the market capitalization of such company based on its closing share price on April 13, 2015, plus debt, less cash, cash equivalents and marketable securities, plus minorities and less associates) to such company s (i) estimated earnings before interest, taxes, depreciation and amortization (or EBITDA), (ii) estimated earnings before interest and taxes (or EBIT) or (iii) estimated sales, in each case for the years ending December 31, 2015 and 2016. The financial information for each of the selected companies listed above and used by Zaoui in its analysis was based on public filings, consensus estimates, recent equity research reports and other publicly available information.

The following table sets forth the average of the trading multiples for the Nokia comparable companies considered in this analysis for each of the years ending December 31, 2015 and 2016.

	Average for Year Ended December 31,	
Enterprise Value to Estimated	**2015**	**2016**
Nokia Networks EBITDA	9.4x	8.8x
HERE Sales[(1)]	2.2x	2.1x
Nokia Technologies EBIT	16.0x	13.8x

(1) Given the difference in profitability of companies comparable to Nokia s HERE business, Zaoui took into consideration sales multiples in valuing the HERE business.

Determination of Implied Exchange Ratio

Zaoui then calculated implied exchange ratio reference ranges on a fully diluted basis using the Alcatel Lucent Street Estimates and the Nokia Street Estimates by dividing the low end of the implied per share equity value reference range for Alcatel Lucent, by the low end of the implied per share equity value reference range for Nokia, in each case as indicated in the selected comparable companies analyses and shown in the table below, and by dividing the high end of the implied per share equity value reference range for Alcatel Lucent by the high end of the implied per share equity value reference range for Nokia, in each case as indicated in the selected comparable companies analyses and shown in the table below. In determining the implied equity value per share, Zaoui added to the implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of December 31, 2014 and subtracted from the implied enterprise value the value of debt and non-controlling interests as of December 31, 2014. The net financial debt of Alcatel Lucent and Nokia were restated for the conversion of all Alcatel Lucent and Nokia convertible instruments.

The following table sets forth the range of implied exchange ratios (on a fully diluted basis) based on a selected comparable companies analysis.

Fully Diluted Equity Value per Share	**Alcatel Lucent**	**Nokia**

			Implied Exchange Ratio
High End	3.69	7.41	0.498x
Low End	3.56	6.86	0.520x

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The selected comparable companies analysis performed by Zaoui indicated a range of implied exchange ratios (on a fully diluted basis) of 0.498x to 0.520x, as compared to the exchange ratio of 0.550x.

Discounted Cash Flow Analysis Excluding Synergies Relating to its April 14, 2015 Opinion

A discounted cash flow analysis is a method of evaluating an asset using estimates of the future unlevered free cash flow generated by the asset and taking into consideration the time value of money with respect to those future cash flows by calculating their present value . Present value refers to the current value of estimated future cash flows generated by the asset, and is obtained by discounting those cash flows (including the asset s terminal value) back to the present using a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, capitalized returns and other relevant factors. Terminal value refers to the capitalized value of all estimated cash flows generated by an asset during beyond the final forecast period.

Alcatel Lucent DCF

Zaoui performed a discounted cash flow analysis for Alcatel Lucent, without regards to the Synergies, to calculate the estimated net present value of (1) the standalone unlevered free cash flows that Alcatel Lucent was projected to generate during the time period from January 1, 2015 to December 31, 2019, based on the Alcatel Lucent Street Forecasts and extrapolated by Zaoui until 2019; and (2) the terminal value for Alcatel Lucent. Zaoui, using its professional judgment and expertise, calculated a range of terminal values for Alcatel Lucent at the end of the forecast period by applying a perpetual growth rate ranging from 1.5% to 2.5% of the unlevered free cash flow of Alcatel Lucent for the terminal period based on the Alcatel Lucent Street Forecasts. The unlevered free cash flows and the range of terminal values were then discounted to present values using a range of discount rates from 9.0% to 10.0%, which were based on Alcatel Lucent s weighted average cost of capital. Zaoui took the sum of the present value ranges for Alcatel Lucent s future cash flows and terminal value to calculate a range of implied enterprise values, and then added to such implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of December 31, 2014, subtracted the value of Alcatel Lucent s debt as of December 31, 2014 (assuming full dilution from the OCEANEs) and subtracted the value of non-controlling interests as of December 31, 2014 to arrive at a range of implied equity value per Alcatel Lucent Share of EUR 3.37 to EUR 4.18.

Nokia DCF

Zaoui performed a discounted cash flow analysis for Nokia, without regards to the Synergies, to calculate the estimated net present value of (1) the standalone unlevered free cash flows that Nokia was projected to generate during the time period from January 1, 2015 to December 31, 2019, based on the Nokia Street Forecasts and extrapolated by Zaoui until 2019; and (2) the terminal value for Nokia. Zaoui, using its professional judgment and expertise, calculated a range of terminal values for Nokia at the end of the forecast period by applying a perpetual growth rate ranging from 1.5% to 2.5% of the unlevered free cash flow of Nokia for the terminal period based on the Nokia Street Forecasts. The unlevered free cash flows and the range of terminal values were then discounted to present values using a range of discount rates from 8.5% to 9.5%, which were based on Nokia s weighted average cost of capital. Zaoui took the sum of the present value ranges for Nokia s future cash flows and terminal value to calculate a range of implied enterprise values, and then added to such implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of December 31, 2014, subtracted the value of Nokia s debt as of December 31, 2014 (assuming full dilution from the convertible bonds) and subtracted the value of non-controlling interests as of December 31, 2014 to arrive at a range of implied equity value per Nokia Share of EUR 6.41 to EUR 7.78.

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Implied Exchange Ratio

Zaoui then calculated an implied exchange ratio reference range on a fully diluted basis by dividing the low end of the implied per share equity value reference range for Alcatel Lucent by the low end of the implied per share equity value reference range for Nokia, in each case indicated by the discounted cash flow analyses, and by dividing the high end of the implied per share equity value reference range for Alcatel Lucent by the high end of the implied per share equity value reference range for Nokia, in each case indicated by the discounted cash flow analyses.

The following table sets forth the range of implied exchange ratios (on a fully diluted basis) based on a discounted cash flow analysis excluding synergies.

Fully Diluted Equity Value per Share	Alcatel Lucent	Nokia	Implied Exchange Ratio
High End	4.18	7.78	0.537x
Low End	3.37	6.41	0.525x

The discounted cash flow analysis excluding synergies performed by Zaoui indicated a range of implied exchange ratios (on a fully diluted basis) of 0.537x to 0.525x, as compared to the exchange ratio of 0.550x.

Summary of Zaoui s Financial Analysis Relating to its October 28, 2015 Opinion

The following is a summary of the material financial analyses prepared and reviewed with Alcatel Lucent s board of directors in connection with the written opinion dated October 28, 2015. The following summary, however, does not purport to be a complete description of the financial analyses performed or factors considered by, and underlying the opinion of, Zaoui, nor does the order of the financial analyses described represent the relative importance or weight given to those financial analyses by Zaoui. Zaoui may have deemed various assumptions more or less probable than other assumptions, so the reference ranges resulting from any particular portion of the analyses summarized below should not be taken to be Zaoui s view of the actual exchange ratio. Some of the summaries of the financial analyses set forth below include information presented in tabular format. In order to fully understand the financial analyses, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses performed by Zaoui. Considering the data in the tables below without considering all financial analyses or factors or the full narrative description of such analyses or factors, including the methodologies and assumptions underlying such analyses or factors, could create a misleading or incomplete view of the processes underlying Zaoui s financial analyses and its opinion.

Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before April 13, 2015, and is not necessarily indicative of current market conditions.

The implied exchange ratio reference ranges described below were calculated using the number of Alcatel Lucent Shares outstanding on a fully diluted basis as of June 30, 2015 and the number of Nokia Shares outstanding on a fully diluted basis as of June 30, 2015, in each case calculated on a treasury share method basis, taking into account outstanding in-the-money stock options in relation to Alcatel Lucent Shares and Nokia Shares, respectively, Performance Shares and Nokia Performance Shares, respectively, other equity awards and convertible securities (including the OCEANEs, with equity dilution based on an adjusted conversion ratio as per the clause relating to takeover bids, in accordance with the terms of the OCEANEs), based on information provided by Alcatel Lucent and Nokia.

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Historical Exchange Ratio Analysis Relating to its October 28, 2015 Opinion

Zaoui determined that historical trading prices for the publicly-traded Alcatel Lucent Shares and Nokia Shares after April 13, 2015 were not relevant as such trading prices had been impacted by the announcement of the Transaction. Therefore, the analysis described in the section entitled Historical Exchange Ratio Analysis Relating to its April 14, 2015 Opinion continued to be the relevant analysis as it related to historical exchange ratios.

Analyst Price Target Analysis Relating to its October 28, 2015 Opinion

Zaoui determined that price targets published by equity analysts on each of the Alcatel Lucent Shares and Nokia Shares on and after April 13, 2015 were not relevant as such market data had been impacted by the announcement of the Transaction. Therefore, the analysis described in the section entitled Analyst Price Target Analysis Relating to its April 14, 2015 Opinion continued to be the relevant analysis as it related to analyst price targets.

Premiums Paid Analysis Relating to its October 28, 2015 Opinion

No share exchange transactions (*Offre Publique d Echange or* OPE) valued above EUR 1 billion were announced on or after April 13, 2015 in France. Therefore, the analysis described in the section entitled Premiums Paid Analysis Relating to its April 14, 2015 Opinion continued to be the relevant analysis as it related to premiums paid in precedent share exchange transactions in France.

Selected Comparable Companies Analysis Relating to its October 28, 2015 Opinion

Alcatel Lucent Comparable Companies

Zaoui updated its selected comparable companies analysis with respect to Alcatel Lucent. For purposes of this analysis and comparison, Zaoui reviewed and analyzed certain financial information, valuation multiples and market trading data through October 27, 2015 related to selected comparable publicly traded telecom equipment providers which it viewed, based on its professional judgment and experience and taking into account the company s business profile, geographic region and size, as reasonably comparable or relevant for purposes of this analysis of Alcatel Lucent. No company, independently or as part of a set, is identical to Alcatel Lucent or its business segments. As part of its analysis, Zaoui determined that Alcatel Lucent is not directly comparable to any other European or American telecom equipment provider company due to the relative contribution and difference in profitability of its Core Networking versus its Access activities. As a consequence, Zaoui determined to use a different set of comparable companies for Alcatel Lucent in each of Core Networking and Access as set forth below:

Core Networking Peers:

- Cisco Systems Inc.
- Ericsson
- Juniper Networks Inc.
- Amdocs Limited
- Ciena Corporation

Access Peers:

Ericsson

ZTE Corporation

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For each of the Alcatel Lucent comparable companies, Zaoui calculated and compared the ratio of such company s enterprise value (calculated as the market capitalization of such company based on its closing share price on October 27, 2015, plus debt, less cash, cash equivalents and marketable securities, plus minorities and less associates) to such company s estimated earnings before interest and taxes (or EBIT) for each of the years ending December 31, 2015 and 2016. The financial information for each of the selected companies listed above and used by Zaoui in its analysis was based on public filings, consensus estimates, recent equity research reports and other publicly available information.

The following table sets forth the average of the trading multiples for the Alcatel Lucent comparable companies considered in this analysis for each of the years ending December 31, 2015 and 2016.

	Average for Year Ended December 31,	
Enterprise Value to Estimated EBIT	**2015**	**2016**
Core Networking	11.0x	9.7x
Access	12.9x	11.1x

In performing its analysis, Zaoui considered that price to earnings (or P/E) multiples tend to be very heterogeneous due to differences in depreciation and provisional accounting policies, as well as due to differences in capital structures, and that valuation based on P/E multiples is not commonly used by equity analysts in the telecom equipment provider sector, and therefore Zaoui determined not to undertake an analysis of the exchange ratio applying P/E multiples of comparable companies.

Nokia Comparable Companies

Zaoui updated its selected comparable companies analysis with respect to Nokia. For purposes of this analysis and comparison, Zaoui reviewed and analyzed certain financial information, valuation multiples and market trading data through October 27, 2015 related to selected comparable publicly traded telecom equipment providers which it viewed, based on its professional judgment and experience and taking into account the company s business profile, geographic region and size, as reasonably comparable or relevant for purposes of this analysis of Nokia. No company, independently or as part of a set, is identical to Nokia or its business segments. As part of its analysis, Zaoui determined that Nokia is not directly comparable to any other European or American telecom equipment provider company due to its business profile and difference in nature between its Nokia Networks and Nokia Technologies businesses. As a consequence, Zaoui determined to use a different set of comparable companies for each of its Nokia Networks and Nokia Technologies businesses as set forth below.

Nokia Networks Peers:

- Cisco Systems Inc.
- Ericsson
- ZTE Corporation
- Juniper Networks Inc.

Nokia Technologies Peers:

- Interdigital Inc.
- Universal Display Corporation

Tessera Technologies Inc.

Dolby Laboratories Inc.

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On August 3, 2015, Nokia announced an agreement to sell its HERE digital mapping and location services business at an enterprise value of EUR 2.8 billion. Zaoui has considered this transaction value in its comparable companies analysis, Zaoui noted that the enterprise value of HERE was consistent with Zaoui s valuation for the business.

For each of the Nokia comparable companies, Zaoui calculated and compared the ratio of such company s enterprise value (calculated as the market capitalization of such company based on its closing share price on October 27, 2015, plus debt, less cash, cash equivalents and marketable securities, plus minorities and less associates) to such company s (i) estimated earnings before interest, taxes, depreciation and amortization (or EBITDA) or (ii) estimated earnings before interest and taxes (or EBIT), in each case for the years ending December 31, 2015 and 2016. The financial information for each of the selected companies listed above and used by Zaoui in its analysis was based on public filings, consensus estimates, recent equity research reports and other publicly available information.

The following table sets forth the average of the trading multiples for the Nokia comparable companies considered in this analysis for each of the years ending December 31, 2015 and 2016.

	Average for Year Ended December 31,	
Enterprise Value to Estimated	**2015**	**2016**
Nokia Networks EBITDA	9.1x	8.5x
Nokia Technologies EBIT	12.9x	11.0x

Determination of Implied Exchange Ratio

Zaoui then calculated implied exchange ratio reference ranges on a fully diluted basis using the Updated Alcatel Lucent Street Estimates and the Updated Nokia Street Estimates by dividing the low end of the implied per share equity value reference range for Alcatel Lucent, by the low end of the implied per share equity value reference range for Nokia, in each case as indicated in the selected comparable companies analyses and shown in the table below, and by dividing the high end of the implied per share equity value reference range for Alcatel Lucent by the high end of the implied per share equity value reference range for Nokia, in each case as indicated in the selected comparable companies analyses and shown in the table below. In determining the implied equity value per share, Zaoui added to the implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of June 30, 2015 and subtracted from the implied enterprise value the value of debt and non-controlling interests as of June 30, 2015. The net financial debt of Alcatel Lucent and Nokia were restated for the conversion of all Alcatel Lucent and Nokia convertible instruments.

The following table sets forth the range of implied exchange ratios (on a fully diluted basis) based on a selected comparable companies analysis.

Fully Diluted Equity Value per Share	Alcatel Lucent	Nokia	Implied Exchange Ratio
High End	3.30	6.54	0.504x
Low End	3.25	6.30	0.515x

The selected comparable companies analysis performed by Zaoui indicated a range of implied exchange ratios (on a fully diluted basis) of 0.504x to 0.515x, as compared to the exchange ratio of 0.550x.

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Discounted Cash Flow Analysis Excluding Synergies

Alcatel Lucent DCF

Zaoui updated its discounted cash flow analysis for Alcatel Lucent, without regards to the Synergies, to calculate the estimated net present value of (1) the standalone unlevered free cash flows that Alcatel Lucent was projected to generate during the time period from June 30, 2015 to December 31, 2019, based on the Updated Alcatel Lucent Street Forecasts and extrapolated by Zaoui until 2019; and (2) the terminal value for Alcatel Lucent. Zaoui, using its professional judgment and expertise, calculated a range of terminal values for Alcatel Lucent at the end of the forecast period by applying a perpetual growth rate ranging from 1.5% to 2.5% of the unlevered free cash flow of Alcatel Lucent for the terminal period based on the Updated Alcatel Lucent Street Forecasts. The unlevered free cash flows and the range of terminal values were then discounted to present values using a range of discount rates from 9.0% to 10.0%, which were based on Alcatel Lucent s weighted average cost of capital. Zaoui took the sum of the present value ranges for Alcatel Lucent s future cash flows and terminal value to calculate a range of implied enterprise values, and then added to such implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of June 30, 2015, subtracted the value of Alcatel Lucent s debt as of June 30, 2015 (assuming full dilution from the 2018 OCEANEs) and subtracted the value of non-controlling interests as of June 30, 2015 to arrive at a range of implied equity value per Alcatel Lucent Share of EUR 3.00 to EUR 3.77.

Nokia DCF

Zaoui updated its discounted cash flow analysis for Nokia, without regards to the Synergies, to calculate the estimated net present value of (1) the standalone unlevered free cash flows that Nokia was projected to generate during the time period from June 30, 2015 to December 31, 2019, based on the Updated Nokia Street Forecasts and extrapolated by Zaoui until 2019; and (2) the terminal value for Nokia. Zaoui, using its professional judgment and expertise, calculated a range of terminal values for Nokia at the end of the forecast period by applying a perpetual growth rate ranging from 1.5% to 2.5% of the unlevered free cash flow of Nokia for the terminal period based on the Updated Nokia Street Forecasts. The unlevered free cash flows and the range of terminal values were then discounted to present values using a range of discount rates from 8.5% to 9.5%, which were based on Nokia s weighted average cost of capital. Zaoui took the sum of the present value ranges for Nokia s future cash flows and terminal value to calculate a range of implied enterprise values, and then added to such implied enterprise value cash and cash equivalents and investments in associates and joint-ventures as of June 30, 2015, subtracted the value of Nokia s debt as of June 30, 2015 (assuming full dilution from the convertible bonds) and subtracted the value of non-controlling interests as of June 30, 2015 to arrive at a range of implied equity value per Nokia Share of EUR 6.02 to EUR 7.38.

Implied Exchange Ratio

Zaoui then calculated an implied exchange ratio reference range on a fully diluted basis by dividing the low end of the implied per share equity value reference range for Alcatel Lucent by the low end of the implied per share equity value reference range for Nokia, in each case as indicated in the discounted cash flow analyses, and by dividing the high end of the implied per share equity value reference range for Alcatel Lucent by the high end of the implied per share equity value reference range for Nokia, in each case as indicated in the discounted cash flow analyses.

The following table sets forth the range of implied exchange ratios (on a fully diluted basis) based on a discounted cash flow analysis excluding synergies.

Fully Diluted Equity Value per Share	**Alcatel Lucent**	**Nokia**	**Implied Exchange Ratio**
High End	3.77	7.38	0.511x
Low End	3.00	6.02	0.497x

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The discounted cash flow analysis excluding synergies performed by Zaoui indicated a range of implied exchange ratios (on a fully diluted basis) of 0.497x to 0.511x, as compared to the exchange ratio of 0.550x.

General

The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to summary description. In arriving at its fairness determinations, Zaoui considered the results of all of the analyses and did not draw, in isolation, conclusions from or with regard to any factor or analysis that it considered. Rather, Zaoui made its determinations as to fairness on the basis of its experience and professional judgment after considering the results of all of the analyses. No company or transaction used in the above analyses as a comparison is directly comparable to Alcatel Lucent or Nokia or the proposed Transaction.

Zaoui prepared these analyses for purposes or providing its opinions to Alcatel Lucent s board of directors as to the fairness from a financial point of view to the holders of Alcatel Lucent Shares and Alcatel Lucent ADSs, as of the date of such opinion, of the exchange ratio. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon projections of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to substantial uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of Alcatel Lucent, Nokia, Zaoui or any other person assumes responsibility if future results are materially different from those forecast.

Zaoui s financial analyses and opinions were only one of many factors taken into consideration by Alcatel Lucent s board of directors in its evaluation of the Transaction. Consequently, the analyses described above should not be viewed as determinative of the views of Alcatel Lucent s board of directors or management with respect to the exchange ratio or as to whether Alcatel Lucent s board of directors would have been willing to determine that a different consideration was fair. The consideration for the Transaction was determined through arm s-length negotiations between Alcatel Lucent and Nokia and was approved by Alcatel Lucent s board of directors. Zaoui provided advice to Alcatel Lucent during these negotiations. Zaoui did not recommend any specific exchange ratio to Alcatel Lucent or Alcatel Lucent s board of directors or that any specific exchange ratio constituted the only appropriate consideration for the Transaction. Zaoui did not express any view on whether Alcatel Lucent s board of directors should determine that the Exchange Offer was in the interests of Alcatel Lucent and its stakeholders (including holders of Alcatel Lucent Securities) or recommend the Exchange Offer to holders of Alcatel Lucent Securities.

Alcatel Lucent s board of directors selected Zaoui as its financial advisor in connection with the Exchange Offer based on various factors and criteria, including Zaoui s understanding of Alcatel Lucent s business, Zaoui s leadership position in and understanding of the French market, and other capabilities and strengths.

In connection with Zaoui s services as the financial advisor to Alcatel Lucent s board of directors, Alcatel Lucent has agreed to pay Zaoui a transaction fee of EUR 23.4 million, one-third payable upon announcement of the Exchange Offer and two-thirds payable contingent upon Completion of the Exchange Offer and an incentive fee payable contingent upon Completion of the Exchange Offer at the discretion of Alcatel Lucent. In addition, Alcatel Lucent has also agreed to pay Zaoui an aggregate retainer fee in respect of the year ended December 31, 2014 of EUR 0.6 million. Alcatel Lucent has also agreed to reimburse Zaoui s reasonable out-of-pocket expenses incurred in connection with Zaoui s engagement, and to indemnify Zaoui against certain liabilities that may arise out of Zaoui s engagement. Any amount payable by Alcatel Lucent to Zaoui will be grossed up taking into account any tax payable in respect of such amount. Zaoui may also in the future provide financial advisory services to Alcatel Lucent and its affiliates or Nokia and its affiliates for which Zaoui may receive further compensation.

Report of the Independent Financial Expert

Prior to making its determination and recommendation at the meeting of October 28, 2015, Alcatel Lucent s board of directors received the Independent Expert Report of the Independent Expert, Associés en Finance, in accordance with Article 261-1 et seq. of the AMF General Regulation, including the Independent Expert s opinion (*attestation d équité*), dated as of October 28, 2015, stating that, as of the date of the Independent Expert Report and based upon and subject to the assumptions, qualifications and other considerations set forth therein, the Independent Expert concluded that the terms of the Exchange Offer by Nokia for Alcatel Lucent Shares and OCEANEs are fair.

An unofficial English translation of the full text of the Independent Expert Report of the Independent Expert, Associés en Finance, dated October 28, 2015, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the Independent Expert Report, is attached as Annex C to Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to Alcatel Lucent Security holders together with this exchange offer/prospectus and is incorporated herein by reference, and Alcatel Lucent urges holders of Alcatel Lucent Securities to carefully read the Independent Expert Report in its entirety.

Nokia Shareholder Meeting

The Nokia board of directors resolved on October 22, 2015 to call an extraordinary general meeting of Nokia shareholders to consider and vote on the resolution contemplated by the Nokia Shareholder Approval and the election of Louis R. Hughes, Jean C. Monty and Olivier Piou to the Nokia board of directors. Elizabeth Doherty will step down from the Nokia board of directors subject to and following the Completion of the Exchange Offer. The extraordinary general meeting is currently scheduled for December 2, 2015. The Corporate Governance & Nomination committee will propose to the board of directors at the assembly meeting of the new board of directors after the Completion of the Exchange Offer that Olivier Piou be elected Vice Chairman of the board of directors, subject to his election to the board of directors. Risto Siilasmaa will continue as the chairman of the board of directors. Proxy materials related to the extraordinary general meeting have been separately distributed by Nokia. **We are not asking you for a proxy pursuant to this exchange offer/prospectus and you are requested not to send us a proxy in response hereto.**

The resolution contemplated by the Nokia Shareholder Approval must be approved by shareholders representing at least two-thirds of the votes cast and Nokia Shares represented at the extraordinary general meeting. Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into and not withdrawn from the Exchange Offer is subject to, among other Conditions, receipt of the Nokia Shareholder Approval.

On October 22, 2015, the Nokia board of directors unanimously reiterated its support for the transaction and unanimously determined, subject to its fiduciary duties under applicable law and the terms and conditions of the Memorandum of Understanding, to recommend that the Nokia shareholders vote in favor of the resolution presented to them to approve the authorization for the Nokia board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for the Alcatel Lucent Securities tendered into the

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Exchange Offer and the appointment of the three members of the Nokia board of directors identified jointly by the Corporate Governance & Nomination committee of the Nokia board of directors and by Alcatel Lucent, in each case subject to the Completion of the Exchange Offer.

In accordance with the Memorandum of Understanding, the Corporate Governance & Nomination committee of the Nokia board of directors and Alcatel Lucent have jointly identified Louis R. Hughes, Jean C. Monty and Olivier Piou as nominees to the Nokia board of directors. The election of these director nominees would be subject to a Completion of the Exchange Offer. The election of each director nominee at the extraordinary general meeting must be approved by shareholders representing at least a majority of the votes cast at the extraordinary general meeting.

Refer to Description of Nokia Shares and Articles of Association Shares and Share Capital of Nokia and Description of the Nokia Shares and Articles of Association Purchase Obligation Proposed Amendments of Nokia s Articles of Association for further description of the resolutions to be presented to the Nokia Shareholders at the extraordinary general meeting currently scheduled for December 2, 2015.

Director Nominee Biographies

Name	Year of Birth	Present Principal Occupation and Five-Year Employment History
Louis R. Hughes	1949	Louis R. Hughes has been an independent director, member of the Audit and Finance Committee, member of the Corporate Governance and Nominating Committee and Chairman of the Technology Committee of Alcatel Lucent. Mr. Hughes has been the Chairman of InZero Systems since 2005 and member of the boards of Alcatel Lucent since 2008 and of AkzoNobel since 2007. Mr. Hughes has been an independent director and chairman of the audit, finance and compliance committee of ABB since 2003. Mr. Hughes was the president & chief operating officer of Lockheed Martin in 2000, executive vice president of General Motors Corporation 1992 2000, president of General Motors International Operations 1992 1998, president of General Motors Europe 1992 1994, Chairman of Adam Opel AG 1989 1992, Vice President of finance of GM Europe 1987 1989, Vice President of finance of GM of Canada 1985 1986, Assistant Treasurer, General Motors Corporation 1983 1985, Treasurer s Office, General Motors Corporation 1973 1983. Mr. Hughes received a Master s Degree in Business Administration from Harvard University, Graduate School of Business and a Bachelor of Mechanical Engineering from General Motors Institute, now Kettering University. Mr. Hughes is a United States citizen.
Jean C. Monty	1947	Jean C. Monty has been an independent director, Vice Chairman of the board of directors, Chairman of the Audit and Finance Committee and member of the Corporate Governance and Nominating Committee of Alcatel Lucent. Mr. Monty has been a member of the Alcatel Lucent board of directors since 2008. Mr. Monty is a member of the Board, member of the audit committee, chairman of the human resources and compensation committee of Bombardier, member of the Boards of Centria Inc. and of Fiera Capital Inc. Mr. Monty is also a member of the International

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Name	Year of Birth	Present Principal Occupation and Five-Year Employment History
		Advisory Board of the École des Hautes Études Commerciales. Mr. Monty was the chairman of the Board and CEO of Bell Canada Enterprises (BCE Inc.) until 2002. Mr. Monty was president and chief executive officer of Nortel Networks Corporation beginning in 1993 and held numerous positions in the BCE group 1974 1992. Mr. Monty received a Master of Business Administration from University of Chicago, a Master of Arts in economics from University of Western Ontario and a Bachelor of Arts from Collège Sainte-Marie of Montréal. Mr. Monty is a citizen of Canada.
Olivier Piou	1958	Olivier Piou has been an independent director and a member of the Alcatel Lucent board of directors since 2008. Mr. Piou is a member of the Corporate Governance & Nominating Committee, a member of the Compensation Committee and member of the Technology Committee of Alcatel Lucent. Mr. Piou has been the Chief Executive Officer and director of Gemalto since 2006. Mr. Piou was a member of the Board of INRIA (Institut National de Recherche en Informatique et en Automatique) and chairman of Eurosmart. Mr. Piou was the Chief Executive Officer of Axalto, the smart card division of Schlumberger from 2004 to 2006, until the merger of Axalto and Gemplus which formed Gemalto, Mr. Piou joined Schlumberger in 1981 as a production engineer and held numerous management positions in the areas of technology, marketing and operations, in France and the United States. Mr. Piou received a degree in Engineering from École Centrale de Lyon. Mr. Piou is a citizen of France.

Director Compensation

Nokia s Corporate Governance and Nomination Committee has proposed to the extraordinary general meeting that the new members of the board of directors elected at the extraordinary general meeting receive the same annual remuneration as is paid to the members of the board of directors elected at the Nokia annual general meeting on May 5, 2015, prorated by the new board members time in service until the closing of the Nokia annual general meeting in 2016.

The main features of the compensation for members of the Nokia board of directors is set out in the Nokia 2014 Form 20-F.

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Director Nominee Share Ownership

As far as we are aware, none of the director nominees own any Nokia Shares or Nokia ADSs. The following table sets out ownership of Alcatel Lucent Securities by director nominees as of October 22, 2015.

Name	Alcatel Lucent Shares	Alcatel Lucent ADSs
Louis R. Hughes	37 631	N/A
Jean C. Monty	2 433 703	2 600 003
Olivier Piou	92 658	N/A

Director Nominee Related Party Transactions

There have been no material transactions during the last three fiscal years to which any director nominee, or any relative or spouse of any director nominee, was a party. There is no significant outstanding indebtedness owed to Nokia by any director nominee.

Intentions of Nokia over the next twelve months

The following information sets out Nokia s intention with respect to Alcatel Lucent over the twelve month period immediately after a successful Completion of the Exchange Offer or completion of the subsequent offering period, if any.

Following a completion of the subsequent offering period, if any, for so long as Nokia owns less than 100% of the Alcatel Lucent Securities, its ability to implement its intentions described in this section may be limited by the applicable provisions of French corporate law. In particular, pursuant to French corporate law, any transaction between Alcatel Lucent and Nokia which is neither in the ordinary course nor on an arm s-length basis would be subject to the prior approval of Alcatel Lucent s board of directors (with the Nokia-nominated directors unable to vote on the resolution) and would also need to be subsequently ratified by Alcatel Lucent s shareholders meeting (with Nokia unable to vote on the resolution and Alcatel Lucent Shares held by Nokia excluded from the quorum). However, Nokia, as an Alcatel Lucent shareholder, would be allowed to vote its Alcatel Lucent Shares with respect to any shareholder resolution to merge Alcatel Lucent and Nokia or any of its subsidiaries. Nokia does not currently anticipate that any such limitations would have a significant effect on its ability to implement its intentions over the twelve-month period immediately after the successful completion of the subsequent offering period, as outlined below.

Industrial, commercial and financial strategy and policy

If the Exchange Offer is successful, it is expected to create an innovation leader in next generation technology and services for an IP-connected world. The headquarters of the combined company would be in Finland with strategic business locations and major R&D centers in France, as well as other countries including Germany, the United States and China. The strategic goal of the combination is to create a combined company with an end-to-end portfolio scope and scale and leading global positions across next generation network technologies and services.

We believe that Nokia and Alcatel Lucent have highly complementary assets, technologies and portfolios, bringing together fixed and mobile broadband, IP routing, core networks, cloud applications and services, as well as complementary geographical exposures, with particular strength in the United States, China, Europe and Asia-Pacific.

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The combination is expected to create access to an expanded addressable market. In addition, together the companies are expected to be better equipped to meet the increasingly complex needs of customers globally given the industry trends: global Telco consolidation and convergence; expansion to quad-play offerings and delivering seamless experiences across multiple screens and applications; timing of the 5G investment cycle; and transition to the cloud.

The combined company would also utilize its unique innovation capabilities and is expected to be in a position to accelerate development of future technologies including 5G, IP and software-defined networking, cloud and analytics.

Also, Nokia expects to maintain its long term financial target to return to an investment grade credit rating and intends to manage the capital structure of the combined company accordingly, including by retaining adequate gross and net cash positions and by proactively reducing indebtedness. Nokia s intention to optimize its capital structure includes intention to maintain an efficient capital structure and intention to continue annual dividend payments following the Completion of the Exchange Offer. Nokia also intends to evaluate the resumption of a capital structure optimization program for the combined group following the Completion of the Exchange Offer.

The combined company would target approximately EUR 900 million of annual operating cost synergies in 2018, relative to the combined non-IFRS projected results of Nokia and Alcatel Lucent for the full year 2015, assuming the Completion of the Exchange Offer in the first quarter 2016 in addition to the remaining reduction targets under Alcatel Lucent s current Shift plan.

The operating cost synergies are expected to be derived from a wide range of initiatives related to operating expenses and cost of sales, including:

- streamlining of overlapping products and services, particularly within the planned Mobile Networks business group;
- rationalization of regional and sales organizations;
- rationalization of overhead, particularly within manufacturing, supply-chain, real estate and information technology;
- reduction of central function and public company costs; and
- procurement efficiencies, given the combined company s expanded purchasing power.

In addition, the combined company would target approximately EUR 200 million of reductions in interest expenses in 2017 by reducing outstanding indebtedness.

The transaction is structured as an acquisition of Alcatel Lucent by Nokia, with a clear governance structure for the execution of the integration.

- We have appointed an Integration Planning Head, who reports directly to Rajeev Suri, President and Chief Executive Officer of Nokia.
- Integration planning is done separately from our day-to-day operations, in order to minimize disruption to the ongoing business and to allow our employees to continue to focus on delivering successful business results, as well as comply with applicable competition laws and regulations.

We will dedicate our integration efforts to business areas with highest impact for example wireless infrastructure, sales and channel operations and support functions to ensure maximum competitiveness and innovation once we start the combined operations.

Management of Nokia and Alcatel Lucent

It is proposed that following the Completion of the Exchange Offer, Nokia s corporate governance structure will include the following:

Chairman of the board of directors: Risto Siilasmaa.

President and Chief Executive Officer: Rajeev Suri.

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Nokia s board of directors having ten members, including Louis R. Hughes, Jean C. Monty and Olivier Piou, who have been nominated jointly by the Corporate Governance & Nomination committee of the Nokia board of directors and by Alcatel Lucent. The Corporate Governance & Nomination committee will propose to the new board of directors after the Completion of the Exchange Offer that Olivier Piou be elected Vice Chairman of the Nokia board of directors.

Leadership team built on strengths of both Nokia and Alcatel Lucent.

In addition, on October 7, 2015, Nokia announced the planned leadership and organizational structure for the combined company. However, no resolution regarding the composition of the Nokia Leadership team following the Completion of the Exchange Offer has been made.

Concerning Alcatel Lucent, in the case of success of the Exchange Offer, Nokia intends to change immediately the composition of Alcatel Lucent s board of directors in order to reflect the new shareholding of Alcatel Lucent, and intends to obtain the majority of Alcatel Lucent s board of directors as soon as possible following the Exchange Offer. The determination of the person who might serve as chairman of the board of directors and Chief Executive Officer (*director général*) following the Exchange Offer is still under consideration.

Intentions of Nokia with respect to employment in France

In the context of the proposed combination with Alcatel Lucent and subject to its consummation, the commitments of Nokia in France relating to employment are the following:

Follow the Shift plan commitments regarding the level of employment in France, for a period of at least two years after the Completion of the Exchange Offer. The base comprises Alcatel Lucent France/International (ALUI) operational heads (excluding branches), Bell Labs France, RFS (Radio Frequency Systems) and excluding ASN (Alcatel-Lucent Submarine Networks) and Eu factory (Landing point of the reference perimeter is 4200 Headcount and excluding RFS unit). Nokia will maintain resources from its French operations throughout the reference period to support its customers in France;

Strengthen the operations and activity levels for the long term at the two major technology sites of Villarceaux (Essonne) and Lannion (Cotes d Armor) following the Completion of the Exchange Offer, with a focus on augmenting existing activities, functions, and advanced research work;

Increase significantly and sustainably the R&D presence in France scaling up 5G, IP network management platforms (incl. Software Defined Networking) and cyber-security with employment evolving from 2000 people to 2500 people including the recruiting of at least 300 newly graduated talents over the coming three years. The R&D employment level will be maintained for a period of at least four years after the Completion of the Exchange Offer;

Localize in France worldwide technology centers of expertise following the Completion of the Exchange Offer, including in the areas of:

5G and Small Cells R&D to anchor France in the future of wireless activities for the combined company. France will be equipped with a full 5G innovation engine which will encompass research activities with Bell Labs, development activities as well as end to end platforms and trial networks;

IP management platforms (incl. Software Defined Networking);

Cyber Security (research, product development and platforms) while continuing to leverage the partnership established by Alcatel Lucent with Thalès;

Bell Labs; and

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- Wireless Transmission;

- A major worldwide corporate organization in charge of strategic innovation including networks research and Bell Labs will be led from France and will comprise key staff members;

- Maintain some operations and activities at operational hubs located in France and providing services to other locations in the world following the consummation of the transaction, including in the areas of:

  - Local support services;

  - Local pre- and post-sales resources for France and selected European & African countries;

- Take all necessary measures to find sustainable solutions for the French employees who could be impacted by the rationalization of corporate activities between Nokia and Alcatel Lucent.

Synergies

Nokia targets approximately EUR 900 million of annual operating cost synergies to be achieved on a full year basis in 2018, relative to the combined non-IFRS projected results of Nokia and Alcatel Lucent for full year 2015. This target is subject to the Completion of the Exchange Offer in the first quarter of 2016. The associated restructuring costs are expected to be slightly higher than EUR 900 million, and the related cash outflow is expected to be approximately EUR 900 million.

The operating cost synergies are expected to be derived from a wide range of initiatives related to operating expenses and cost of sales, including:

- streamlining of overlapping products and services, particularly within the planned Mobile Networks business group;

- rationalization of regional and sales organizations;

- rationalization of overhead, particularly within manufacturing, supply-chain, real estate and information technology;

- reduction of central function and public company costs; and

- procurement efficiencies, given the combined company s expanded purchasing power.

The operating cost synergies are expected to create a structural cost advantage and foster a corporate culture that emphasizes execution excellence. Nokia believes that this strong foundation would enable the long-term investments that are essential to achieve the combined company s strategic objectives, serve the changing needs of customers and lead the next wave of technological change in the industry.

The combined company would also target approximately EUR 200 million of reductions in interest expenses to be achieved on a full-year basis in 2017. The transaction is expected to be accretive to Nokia earnings on a non-IFRS basis (excluding restructuring charges and amortization of intangibles) in 2017. These targets both assume Completion of the Exchange Offer no later than the end of the first half of 2016.

Capital structure optimization program

Following the Completion of the Exchange Offer, Nokia expects to have a strong balance sheet, with the financial resources to enable investments in next generation solutions and services over the long-term.

On October 29, 2015, Nokia announced plans for a two-year EUR 7 billion program to optimize the efficiency of its capital structure, subject to the closing of the Alcatel Lucent and HERE transactions, as well as the conversion of all Nokia and Alcatel Lucent convertible bonds. This comprehensive capital structure optimization program is expected to focus on shareholder distributions and de-leveraging, while maintaining Nokia s financial strength.

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The program is expected to consist of the following components:

- shareholder distributions of approximately EUR 4 billion, calculated assuming ownership of all outstanding shares of Alcatel Lucent and conversion of all Nokia and Alcatel Lucent convertible bonds:
  - planned ordinary dividend payments, as follows:
    - a planned ordinary dividend for 2015 of at least EUR 0.15 per share, subject to shareholder approval in 2016; and
    - a planned ordinary dividend for 2016 of at least EUR 0.15 per share, subject to shareholder approval in 2017;
  - a planned special dividend of EUR 0.10 per share, subject to shareholder approval in 2016; and
  - a planned two-year, EUR 1.5 billion share repurchase program, subject to shareholder approval in 2016.
- de-leveraging of approximately EUR 3 billion:
  - planned reduction of interest bearing liabilities of the combined company by approximately EUR 2 billion; and
  - planned reduction of debt-like items of the combined company by approximately EUR 1 billion in 2016.

Dividend Policy

Nokia does not have a quantitative distribution policy but it does generally view annual dividends as an important mechanism to return value to its shareholders. The proposals for dividend distribution of Nokia and, until the squeeze-out, if any, is implemented, Alcatel Lucent will continue to be determined by their respective managing bodies as regards their distribution capabilities, financial situation and the needs for the companies.

On October 29, 2015, Nokia announced its intention to implement shareholder distributions of approximately EUR 4 billion (including a EUR 1.5 billion share repurchase program), calculated assuming ownership of all outstanding shares of Alcatel Lucent and conversion of all Nokia and Alcatel Lucent convertible bonds, among these shareholder distributions Nokia intends to implement the following dividend distributions:

- planned ordinary dividend payments, as follows:
  - a planned ordinary dividend for 2015 of at least EUR 0.15 per share, subject to shareholder approval in 2016; and
  - a planned ordinary dividend for 2016 of at least EUR 0.15 per share, subject to shareholder approval in 2017;

a planned special dividend of EUR 0.10 per share, subject to shareholder approval in 2016.

Alcatel Lucent has not distributed any dividends in the last six fiscal years.

Squeeze-out

Nokia intends to request from the AMF, within three months of the expiration of the French Offer period or the subsequent offering period, if any, the implementation of a squeeze-out in order to transfer to Nokia the remaining outstanding Alcatel Lucent Shares (excluding Alcatel Lucent treasury shares) and/or any OCEANEs not tendered into the Exchange Offer (or the subsequent offering period, if any) if the Conditions are satisfied.

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The implementation of a squeeze-out concerning the Alcatel Lucent Shares not tendered into the Exchange Offer (or, as the case may be, the subsequent offering period) (excluding Alcatel Lucent treasury shares) will be possible if the Alcatel Lucent Shares not tendered into the Exchange Offer (or, as the case may be, the subsequent offering period) by minority shareholders (excluding Alcatel Lucent Shares held in treasury) represent not more than 5% of the shares or of the voting rights of Alcatel Lucent, in accordance with the AMF General Regulation. The squeeze-out will concern in particular the Alcatel Lucent Performance Shares subject to a holding period and which would not have been tendered into the Exchange Offer or subsequent offering period, if any.

The implementation of a squeeze-out concerning the OCEANEs not tendered into the Exchange Offer (or the subsequent offering period, if any) will be possible if the Alcatel Lucent Shares not tendered into the Exchange Offer (or the subsequent offering period, if any) held by minority shareholders (excluding Alcatel Lucent Shares held in treasury) and the Alcatel Lucent Shares which may be issued following the conversion of the OCEANEs not tendered into the Exchange Offer (or, as the case may be, the subsequent offering period), represent no more than 5% of the sum of all existing Alcatel Lucent Shares and of the Alcatel Lucent Shares which may be created following the conversion of OCEANEs, in accordance with the provisions of the AMF General Regulation.

To implement any of the foregoing squeeze-out processes, Nokia will file with the AMF a new offer document, which must be cleared by the AMF. The AMF clearance will depend, among other things, on the evaluation of Alcatel Lucent Securities provided by Nokia and the fairness report of the independent expert which will be appointed in accordance with the AMF General Regulation. In accordance with French law and regulations, in such a squeeze-out process, Nokia intends, prior to the implementation of the squeeze-out for cash consideration, to offer the holders of Alcatel Lucent Securities as an alternative to cash consideration, the Exchange Option. The holders of Alcatel Lucent Securities may opt for the Exchange Option for all or part of their Alcatel Lucent Securities within a time period to be determined at a later date. The Alcatel Lucent Securities not tendered into the Exchange Option will be subject to the squeeze-out for cash consideration.

Pursuant to French law and the AMF General Regulation, the cash consideration offered in a squeeze-out will be determined through a valuation of the relevant Alcatel Lucent Securities, using objective methods applied in the context of asset sales taking into account the value of Alcatel Lucent s assets, its past earnings, its market value, its subsidiaries and its business prospects and ascribing a value and a weight in each case.

The amount of cash consideration offered in the squeeze-out would be assessed against the valuation of the Alcatel Lucent Securities by Nokia s presenting bank for the squeeze-out. In addition, Alcatel Lucent s independent expert would make a determination whether the amount of cash consideration offered by Nokia is fair to holders of Alcatel Lucent Securities. Finally, the amount of the cash consideration offered by Nokia would be subject to the review of the AMF.

We believe that the Exchange Option conducted pursuant to and in accordance with French law and AMF General Regulation would constitute a tender offer for U.S. securities law purposes. Accordingly, when implementing the Exchange Option, we intend to assess whether or not the Exchange Option may be made in reliance on a Tier I or Tier II exemption from the U.S. tender offer rules pursuant to Regulation 14D under the Exchange Act. Following that assessment, we intend to extend the Exchange Option to all U.S. holders of Alcatel Lucent Securities in accordance with the applicable exemption under, or otherwise in accordance with, the U.S. securities laws.

If the Exchange Option qualifies for a Tier I exemption, it could be conducted primarily in accordance with French law. In addition, in such case, any Nokia Shares (including Nokia Shares represented by Nokia ADSs) offered in the Exchange Option would be exempt from the registration requirements of the Securities Act pursuant to Rule 802 promulgated under the Securities Act.

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In addition, Nokia reserves the right, subject to applicable law, at any time after the Completion of the Exchange Offer or the subsequent offering period, as applicable, to cause Alcatel Lucent to redeem at par value plus accrued interests from the date the interest was last paid, to the date set for the early redemption all of the outstanding 2018 OCEANEs, 2019 OCEANEs or 2020 OCEANEs, if less than 15% of the issued OCEANEs of any such series remain outstanding.

If Nokia owns less than 95% of the share capital and voting rights of Alcatel Lucent immediately after the Completion of the Exchange Offer or, if applicable, the completion of the subsequent offering period, then Nokia reserves the right, subject to applicable law, to (i) commence a buy-out offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 236-3 of the AMF General Regulation if at any time after the Completion of the Exchange Offer it owns 95% or more of the voting rights of Alcatel Lucent, (ii) commence at any time a simplified offer for the Alcatel Lucent Securities it does not own on the relevant date pursuant to Article 233-1 et seq. of the AMF General Regulation, (iii) purchase Alcatel Lucent Securities on the market, (iv) cause Alcatel Lucent to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent. In addition, Nokia intends to request to delist Alcatel Lucent Shares and OCEANEs from Euronext Paris and to seek to delist Alcatel Lucent ADSs from the NYSE, whether or not Alcatel Lucent Shares have been delisted from Euronext Paris, and, when possible, to deregister Alcatel Lucent Shares and Alcatel Lucent ADSs under the Exchange Act or (v) take any other steps to consolidate its ownership of Alcatel Lucent.

Nokia currently does not intend to structure any such steps so that it would result in the Alcatel Lucent convertible bonds becoming convertible bonds of Nokia, becoming debt obligations of Nokia or otherwise becoming convertible into Nokia Shares or Nokia ADSs after the Completion of the Exchange Offer.

As of the date of this exchange offer/prospectus, Nokia does not have any current definitive plans to take any of the actions identified in paragraph (iv) or (v) above. Should any such plans develop, Nokia will disclose them in due course and in accordance with applicable law.

Pursuant to French law and the AMF General Regulation, a buy-out offer is a public tender offer filed with the AMF by a shareholder holding, alone or in concert, at least 95% of the share capital and voting rights of a listed company and made for all the remaining outstanding securities of the company. The primary differences between an Exchange Offer and a buy-out offer are that in the buy-out offer Nokia and Alcatel Lucent would file a joint offer document with the AMF, the period of time during which the shareholders may tender their securities generally would be ten French trading days (instead of 25 French trading days), and the squeeze-out would be implemented immediately after the buy-out offer if the 95% share capital and voting rights threshold is met.

Pursuant to French law and the AMF General Regulation, the consideration offered in a buy-out offer may be shares or cash. The consideration in a buy-out offer would be determined in the same manner as in a squeeze-out (see above).

We believe that a buy-out offer conducted pursuant to Article 236-3 of the AMF General Regulation would constitute a tender offer for the purposes of the U.S. securities laws. Accordingly, we would structure any such offer in accordance with the applicable U.S. securities laws and regulations or any available exemption. We would assess and seek to reconcile (including by seeking any available regulatory relief) any difference between French law practice and the U.S. law and practice in each case applicable to the buy-out offer at that time.

Pursuant to French law and the AMF General Regulation, a simplified offer is a public tender offer filed with the AMF by a shareholder holding, directly or indirectly, alone or in concert, at least 50% of the share capital and voting rights of a listed company and made for all the remaining outstanding securities of such company. The primary differences between the Exchange Offer and a simplified offer

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are that in the simplified offer, the period of time during which the shareholders may tender their securities generally would be ten French trading days (instead of 25 French trading days), and the tender of securities is irrevocable during the offer period and any subsequent offering period.

Pursuant to French law and the AMF General Regulation, the consideration offered in a simplified tender offer may be shares and/or cash. However, if in the twelve-month period before the offer is filed, the bidder, acting alone or in concert, has purchased for cash securities giving it more than 5% of the share capital or voting rights of the target company, the offer must include a cash alternative. The amount of the consideration is determined by the bidder and may not be lower than the volume weighted average share price over the 60 trading days preceding the filing or, as applicable, the announcement of the offer.

We believe that a simplified offer conducted pursuant to Article 233-1 et seq. of the AMF General Regulation would constitute a tender offer for the purposes of the U.S. securities laws. Accordingly, we would structure any such offer in accordance with the applicable U.S. securities laws and regulations or any available exemption. We would assess and seek to reconcile (including by seeking any available regulatory relief) any difference between French law practice and the U.S. law and practice in each case applicable to the simplified offer at that time.

Ownership of more than 50% but less than 95% of Alcatel Lucent post Completion of the Exchange Offer

If, at the Completion of the Exchange Offer and the completion of the subsequent offering period, if any, Nokia owns more than 50% but less than 95% of the share capital and voting rights of Alcatel Lucent, Nokia reserves the right to take any of the actions described above to consolidate its ownership of Alcatel Lucent.

For so long as Nokia continues to own less than 100% of Alcatel Lucent (including while it implements any of the actions to consolidate its ownership or if such steps are not entirely successful), Alcatel Lucent Securities not acquired by Nokia would remain outstanding and may continue to trade on the applicable securities exchange(s) and may remain registered with the SEC, unless Nokia is successful in its efforts to delist and deregister such Alcatel Lucent Securities as described elsewhere in this exchange offer/prospectus.

Holders of any Alcatel Lucent Securities not owned by Nokia will continue to have rights under French law described in Comparison of Rights of Holders of Nokia Shares and Alcatel Lucent Shares section of this exchange offer/prospectus. In addition, depending on Nokia s level of ownership of the Alcatel Lucent Shares, it would be able to implement any transaction requiring majority and may be able to implement any transaction requiring a two-thirds vote of the Alcatel Lucent Shares, as described in Comparison of Rights of Holders of Nokia Shares and Alcatel Lucent Shares section of this exchange offer/prospectus.

Also, for so long as Nokia owns less than 100% of the Alcatel Lucent Securities, its ability to integrate Alcatel Lucent s operations with Nokia may be limited by the applicable provisions of French corporate law. In particular, pursuant to French corporate law, any transaction between Alcatel Lucent and Nokia which is neither in the ordinary course nor on an arm s-length basis would be subject to the prior approval of Alcatel Lucent s board of directors (with the Nokia-nominated directors unable to vote on the resolution) and would also need to be subsequently ratified by Alcatel Lucent s shareholders meeting (with Nokia unable to vote on the resolution and Alcatel Lucent Shares held by Nokia excluded from the quorum). However, Nokia, as an Alcatel Lucent shareholder, would be allowed to vote its Alcatel Lucent Shares with respect to any shareholder resolution to merge Alcatel Lucent and Nokia or any of its subsidiaries. Nokia does not anticipate that any such limitations would have a significant effect on its ability to implement its intentions over the twelve-month period immediately after the successful completion of the subsequent offering period, as outlined in this section.

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Integration and Reorganization

The strategic direction of Alcatel Lucent will be to continue to offer leading solutions in Alcatel Lucent s business lines by taking advantage of the increased customer base attributable to the combination of Nokia and Alcatel Lucent. Nokia intends to integrate Alcatel Lucent into the Nokia group as soon as possible if the Exchange Offer is successful. In addition, if the Exchange Offer is successful, Nokia intends to propose changes to the composition of the Alcatel Lucent board of directors. The composition of the Alcatel Lucent board of directors will take into account the new share ownership structure of Alcatel Lucent and in particular, the ownership level of Nokia.

It is currently expected that after the Completion of the Exchange Offer, Networks business would be conducted through four business groups: Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. These business groups would provide an end-to-end portfolio of products, software and services to enable the combined company to deliver the next generation of leading networks solutions and services to customers. Alongside these, Nokia Technologies would continue to operate as a separate business group with a clear focus on licensing and the incubation of new technologies. Nokia Technologies would continue to have its own innovation, product development and go-to-market operations. Each business group would have strategic, operational and financial responsibility for its portfolio and would be fully accountable for meeting its targets. The four Networks business groups would have a common Integration and Transformation Office to drive synergies and to lead integration activities. The business group leaders would report directly to Nokia s President and Chief Executive Officer:

Mobile Networks (MN) would include Nokia s and Alcatel Lucent s comprehensive Radio portfolios and most of their converged Core network portfolios including IMS/VoLTE and Subscriber Data Management, as well as the associated mobile networks-related Global Services business. This unit would also include Alcatel Lucent s Microwave business and all of the combined company s end-to-end Managed Services business. Through the combination of these assets, Mobile Networks would provide leading end-to-end mobile networks solutions for existing and new platforms, as well as a full suite of professional services and product-attached services.

Fixed Networks (FN) would comprise the current Alcatel Lucent Fixed Networks business, whose cutting-edge innovation and market position would be further supported through strong collaboration with the other business groups. This business group would provide copper and fiber access products and services to offer customers ultra-broadband end-to-end solutions to transform their networks, deploying fiber to the most economical point.

Applications & Analytics (A&A) would combine the Software and Data Analytics-related operations of both companies. This comprehensive applications portfolio would include Customer Experience Management, OSS as distinct from network management such as service fulfilment and assurance, Policy and Charging, services, Cloud Stacks, management and orchestration, communication and collaboration, Security Solutions, network intelligence and analytics, device management and Internet of Things connectivity management platforms. CloudBand would also be housed in this business group, which would drive innovation to meet the needs of a convergent, Cloud-centric future.

IP/Optical Networks (ION) would combine the current Alcatel Lucent IP Routing, Optical Transport and IP video businesses, as well as the software defined networking (SDN) start-up, Nuage, plus Nokia s IP partner and Packet Core portfolio. IP/Optical Networks would continue to drive Alcatel-Lucent s technology leadership, building large scale IP/Optical infrastructures for both service providers and, increasingly, web-scale and tech-centric enterprise customers.

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Nokia Technologies (TECH) would remain as a separate entity with a clear focus on licensing and the incubation of new technologies. Nokia Technologies would continue to have its own innovation, product development and go-to-market operations.

We expect to align our financial reporting under two key areas: Nokia Technologies and the Networks business. The Networks business would comprise the business groups of Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. We also expect to provide selective financial data separately for each of the four Networks business groups to ensure transparency for investors over the performance of each of them.

Nokia ADS Conversion

Nokia has agreed with Citibank, N.A., Nokia s ADS depositary, that, if the Exchange Offer is successful, Citibank will not charge any ADS issuance fees for the issuance of new Nokia ADSs upon deposit of Nokia Shares for a period of thirty calendar days beginning on the U.S. business day following the settlement of the subsequent offering period or, if there is no subsequent offering period, the settlement of the Exchange Offer. Pursuant to this arrangement, existing and new holders of Nokia Shares would, subject to compliance with the terms of the Nokia ADS deposit agreement, be able to convert their Nokia Shares into Nokia ADSs during such period without any ADS issuance fees.

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THE MEMORANDUM OF UNDERSTANDING

The following is a summary of certain provisions of the Memorandum of Understanding. This summary is qualified in its entirety by reference to the Memorandum of Understanding, which is included in this exchange offer/prospectus as Annex A. This summary may not contain all the information about the Memorandum of Understanding that is important to the holders of Alcatel Lucent Securities and you should read the Memorandum of Understanding in its entirety.

The Memorandum of Understanding incorporated by reference into this exchange offer/prospectus contains representations, warranties and covenants by each of Nokia and Alcatel Lucent. These representations and warranties were made solely for the benefit of the other party to the Memorandum of Understanding and (i) were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii) may have been qualified in the Memorandum of Understanding by disclosures that were made to the other party in connection with the negotiation of the Memorandum of Understanding; (iii) may apply contract standards of materiality that are different from materiality under the applicable securities laws; and (iv) were made only as of the date of the Memorandum of Understanding, the French Offer filing date or such other date or dates as may be specified in the Memorandum of Understanding. Information concerning the subject matter of the representations, warranties and covenants may change after the date of the Memorandum of Understanding, which subsequent information may or may not be fully reflected in public disclosures. In addition, such representations, warranties and covenants may have been qualified by certain disclosures not reflected in the text of the Memorandum of Understanding and may apply standards of materiality and other qualifications and limitations in a way that is different from what may be viewed as material by holders of Alcatel Lucent Securities. Only Nokia and Alcatel Lucent are parties to the Memorandum of Understanding, which does not confer any rights upon or give any causes of action to the holders of Alcatel Lucent Securities. Neither holders of Alcatel Lucent Securities nor any other third parties should rely on the representations, warranties and covenants or any descriptions thereof as characterizations of the actual state of facts or conditions of Alcatel Lucent, Nokia, or any of their respective subsidiaries or affiliates.

Nokia acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this exchange offer/prospectus not misleading.

The Exchange Offer

The Memorandum of Understanding provides that the Exchange Offer is being conducted on the terms and subject to the Conditions set forth in the section of this exchange offer/prospectus entitled The Exchange Offer.

Additional Exchange Mechanisms

In accordance with the additional exchange mechanisms described in the Memorandum of Understanding, Nokia and Alcatel Lucent established the acceleration and liquidity mechanism described in the section entitled The Exchange Offer Treatment of Alcatel Lucent Stock Options and Performance Shares in this exchange offer/prospectus.

Representations and Warranties

Under the Memorandum of Understanding, each of Nokia and Alcatel Lucent makes customary and generally reciprocal representations and warranties to the other party with respect to: organization,

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good standing and qualification; capitalization; corporate authority; non-contravention; required consents; reports, financial statements, internal control and disclosure control; and absence of certain changes and litigation.

Alcatel Lucent also makes customary representations and warranties to Nokia with respect to certain matters relating to intellectual property and legal compliance.

French Group Committee Consultation

In accordance with the Memorandum of Understanding and applicable law, Alcatel Lucent s French Group Committee (*Comité de Groupe France*) consultation process was completed and the French Group Committee issued its opinion on June 1, 2015. On June 4, 2015, following the issuance of the French Group Committee opinion, the Alcatel Lucent board of directors issued a statement expressing its full support for the proposed combination with Nokia.

Consents and Approvals

Nokia and Alcatel Lucent have agreed to cooperate to obtain all regulatory consents in connection with the Exchange Offer. Each of Nokia and Alcatel Lucent also agreed to use its reasonable best efforts to take all actions and to do all things necessary or advisable under applicable law to consummate the Exchange Offer.

Nokia received all regulatory approvals required for the implementation of the Exchange Offer pursuant to the Memorandum of Understanding prior to the filing of the French Offer with the AMF. Refer to the section of this exchange offer/prospectus entitled The Exchange Offer Legal Matters; Regulatory Approvals.

Conduct of the Business Pending the Exchange Offer

The Memorandum of Understanding provides that from the date of the Memorandum of Understanding until the earlier to occur of the Completion of the Exchange Offer date or the termination of the Memorandum of Understanding, except as subject to customary conditions and consents, each of Nokia and Alcatel Lucent has agreed to conduct the business of Nokia or Alcatel Lucent, as applicable, and their respective subsidiaries in the ordinary course consistent with past practice.

During the same time period, each of Nokia and Alcatel Lucent has agreed (subject to certain exceptions) not to (i) make any material amendment to its organizational documents; (ii) split, combine or reclassify its outstanding shares; (iii) declare, set aside or pay any type of dividend, whether payable in cash, share or property, in respect of its shares; or (iv) launch any repurchase program with respect to its shares not publicly announced as of the date of the Memorandum of Understanding.

During the same time period, each of Nokia and Alcatel Lucent has agreed (subject to certain exceptions) not to and to cause its subsidiaries not to:

(a) (i) issue, sell, or dispose of any of its shares or its subsidiaries shares, or (ii) pledge or create a lien, in each of cases (i) and (ii) with respect to (A) any of its shares or of its subsidiaries shares, (B) any securities convertible into or exchangeable or exercisable for its shares or any of its subsidiaries shares, (C) any options, warrants, calls, commitments or rights of any kind to acquire, its shares or any of its subsidiaries shares, or (D) any bonds, debentures, notes or other obligations the holders of which have the right to vote (or convertible into or exercisable for securities having the right to vote) with its shareholders or its subsidiaries shareholders on any matter;

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(b) incur any long-term indebtedness for borrowed money (including any guarantee of such indebtedness);

(c) in one or several transactions, transfer, exchange, swap or otherwise create a material lien on or dispose (whether by way of merger, consolidation, sale of shares or assets, or otherwise) of any material portion of its consolidated assets, including shares of its subsidiaries; and

(d) in one or several transactions, acquire (whether by merger, consolidation, purchase or otherwise) any person or assets.

In addition, during the same time period Alcatel Lucent has agreed not to and to cause its subsidiaries not to (subject to certain exceptions):

(a) (i) settle or agree to a compromise in respect of certain material claims or litigation, or (ii) (A) modify, amend or terminate certain material contracts, or (B) waive, release or assign any material rights or claims under any of such contracts;

(b) enter into certain non-compete or similar contracts;

(c) abandon, fail to maintain or assign any material intellectual property; and

(d) enter into certain material arrangements that in certain circumstances would purport to have a binding effect on Nokia or any of its direct or indirect subsidiaries (other than Alcatel Lucent and its subsidiaries) or any of their respective patents.

Until the settlement of the initial offering period Nokia and Alcatel Lucent have agreed not to declare, set aside or pay any dividends, subject to exceptions for, among other things, (i) for Alcatel Lucent, dividends which may be anticipated pursuant to the disposition of ASN, if any (on October 6, 2015, Alcatel Lucent announced that it is to continue to operate ASN as a wholly owned subsidiary) and (ii) for Nokia, (x) distributions which may be anticipated to be paid in 2015 in the ordinary course of business and consistent with past practices and which are limited to an aggregate amount of EUR 0.14 per Nokia Share or (y) distributions of special dividends in cash in an amount not exceeding in the aggregate EUR 1 000 000 000).

Nokia Shareholder Meeting

Pursuant to the Memorandum of Understanding, the Nokia board of directors resolved on October 22, 2015 to call an extraordinary general meeting of Nokia shareholders to consider and vote on the resolution contemplated by the Nokia Shareholder Approval and the election of Louis R. Hughes, Jean C. Monty and Olivier Piou to the Nokia board of directors, as more fully described in The Transaction Nokia Shareholder Meeting .

No Solicitation of Alternate Proposals

The Memorandum of Understanding provides that, during the term of the Memorandum of Understanding, Alcatel Lucent undertakes:

(a) not to and to cause its subsidiaries not to and to use its reasonable best efforts to cause its and its subsidiaries senior officers, directors or representatives not to:

(i) initiate, solicit, induce, or take any action with a view to facilitate or encourage, any inquiries, proposals or offers that constitute, or would reasonably be expected to lead to, an Alternate Proposal (as defined below);

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(ii) engage or otherwise participate in any discussions or negotiations (including by way of furnishing non-public information or granting access to any of the properties or assets of Alcatel Lucent or its subsidiaries) with any person relating to any inquiries, proposals or offers that constitute, or would reasonably be expected to lead to, an Alternate Proposal;

(iii) accept, approve, endorse or recommend any Alternate Proposal;

(iv) approve or recommend or execute or enter into, any letter of intent, agreement in principle, memorandum of understanding, tender offer agreement, merger agreement, acquisition agreement, business combination agreement, joint venture agreement, option agreement or other similar agreement in respect of any Alternate Proposal; or

(v) propose publicly or agree to do any of the foregoing related to any Alternate Proposal; and

(b) to promptly after becoming aware of a receipt of an Alternate Proposal or of any request for non-public information or inquiry relating to Alcatel Lucent by any person or a group of persons who has or would reasonably be expected to make any Alternate Proposal, provide Nokia with notice of the terms and conditions of such Alternate Proposal, request or inquiry.

Notwithstanding the foregoing, if at any time Alcatel Lucent receives a bona fide written Alternate Proposal or any written request for non-public information or inquiry relating to Alcatel Lucent by any person or group of persons who has or is expected to make any bona fide written Alternate Proposal, in each case that the Alcatel Lucent board of directors determines in good faith constitutes or is reasonably likely to lead to a Superior Proposal, Alcatel Lucent may engage in any of the actions described in paragraph (a)(ii) above provided that (i) the person or group of persons making such Alternate Proposal or request, as applicable, for non-public information or inquiry has signed a confidentiality agreement with Alcatel Lucent on terms not less restrictive in any material respect on such person or group of persons than the confidentiality agreement between Nokia and Alcatel Lucent and containing (A) no exclusivity provision or provision (unless waived by such person) inconsistent with the terms of the no solicitation provision of the Memorandum of Understanding and (B) a standstill provision of a duration of at least one year (subject to customary exceptions), and (ii) all information which is provided to such person or group of persons but was not previously provided to Nokia must be provided to Nokia as promptly as practicable.

Alternate Proposal with respect to Alcatel Lucent means any offer or proposal for, or any indication of interest in by any person or group of persons, in one or a series of related transactions (other than the Exchange Offer) involving (i) any direct or indirect acquisition or purchase of (A) the Alcatel Lucent Securities that would result in any person or a group of persons owning 15% or more of the Alcatel Lucent Shares (either directly or after conversion or exercise of such Alcatel Lucent Securities) or (B) assets of Alcatel Lucent or any of its subsidiaries, including by way of the acquisition or purchase of, or subscription to, any class of equity securities or voting rights of any of its subsidiaries, that represent (or generate) 15% or more of the consolidated gross revenue, consolidated EBITDA or consolidated gross assets of Alcatel Lucent, as presented in the most recent audited annual consolidated financial statements of Alcatel Lucent; or (ii) any merger, reorganization, restructuring, contribution, share exchange, consolidation, business combination, joint venture, recapitalization, liquidation, dissolution or similar transaction involving Alcatel Lucent or any of its subsidiaries or any of their respective assets meeting the tests set forth in prong (i)(B) of this definition, but with the exception of (x) intra-group reorganizations and transactions or (y) any transfer, sale, disposition, exchange or distribution of all or part of Alcatel Lucent s interest in Alcatel Lucent Submarine Networks in accordance with the terms of the Memorandum of Understanding, provided that such transfer, sale, disposition, exchange or distribution does not involve or require the issuance of any Alcatel Lucent Shares.

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Superior Proposal means any bona fide written Alternate Proposal from any person or group of persons (provided that, for the purpose of this definition, all references to 15% in the definition of Alternate Proposal are replaced by 30% with respect to prong (i)(A) of the Alternate Proposal definition and are replaced by 50% with respect to prong (i)(B) of the Alternate Proposal definition) that the Alcatel Lucent Board determines in good faith (after consultation with its outside legal counsel and financial advisors in each case of international repute) (i) to be more favorable to Alcatel Lucent, the holders of the Alcatel Lucent Securities and the other stakeholders of Alcatel Lucent than the Exchange Offer, taking into account, among other things, (x) all legal, financial, regulatory, timing, financing and other aspects of the Alternate Proposal, the Memorandum of Understanding and the Exchange Offer on the terms described in the Memorandum of Understanding (including the respective conditions to and the respective expected timing and risks of consummation), (y) any improved terms that Nokia may have offered pursuant to and in accordance with the Memorandum of Understanding (as described further below), and (z) the corporate interest (*intérêt social*) of Alcatel Lucent and (ii) the Alcatel Lucent Board determines in good faith (after consultation with its outside legal counsel and financial advisors in each case of international repute) that failure to pursue such Alternate Proposal would be inconsistent with its fiduciary duties under applicable law.

Change in Alcatel Lucent Board Recommendation

Except as described below, after the date of this exchange offer/prospectus Alcatel Lucent agreed not to make a Change in Alcatel Lucent Board Recommendation (as defined below). Alcatel Lucent is permitted to:

(a) at any time make a Change in Alcatel Lucent Board Recommendation in response to the receipt of any bona fide written Alternate Proposal that the Alcatel Lucent Board determines in good faith constitutes a Superior Proposal. Unless such Superior Proposal is in the form of a formal offer filed and cleared with the AMF, prior to the Alcatel Lucent Board making such a Change in Alcatel Lucent Board Recommendation, Alcatel Lucent agreed to send a written notice thereof to Nokia. Upon receipt of such notice by Nokia, Alcatel Lucent agreed, upon the request of Nokia in its sole discretion, to negotiate in good faith with Nokia during a period of five MoU Business Days from the date on which Nokia received such notice with respect to any changes to the terms of Memorandum of Understanding or the Exchange Offer irrevocably offered by Nokia. If the Alcatel Lucent board of directors determines in good faith (after consultation with its outside legal counsel and financial advisors in each case of international repute), after giving effect to such changes as are irrevocably offered by Nokia, that such Alternate Proposal (i) continues to constitute a Superior Proposal and (ii) the failure to make a Change in Alcatel Lucent Board Recommendation in response to such Superior Proposal would be inconsistent with its fiduciary duties under applicable law, then Alcatel Lucent may make a Change in Alcatel Lucent Board Recommendation in response to such Superior Proposal; and

(b) at any time following reasonable notice to Nokia, make a Change in Alcatel Lucent Board Recommendation in response to a material adverse effect with respect to Nokia, if the Alcatel Lucent board of directors determines in good faith (after consultation with its outside legal counsel and financial advisors in each case of international repute) that its failure to do so would be inconsistent with its fiduciary duties under applicable law.

Change in Alcatel Lucent Board Recommendation means, at any time following the issuance of the Alcatel Lucent Board Recommendation, Alcatel Lucent (through the Alcatel Lucent Chief Executive Officer or the Chairman of the Alcatel Lucent board of directors) or the Alcatel Lucent board of directors (i) withdrawing, amending, qualifying or modifying, or publicly proposing to withdraw, amend, qualify or modify, the Alcatel Lucent Board Recommendation in a manner materially adverse to Nokia, (ii) approving or recommending any Alternate Proposal, including by making any public statements that expressly and unequivocally support any Alternate Proposal, or (iii) failing, upon the request of Nokia, to recommend against any publicly announced bona fide and credible Alternate Proposal within ten MoU Business Days after the initial public announcement thereof, provided that any material change in price or any other material term of such Alternate Proposal shall be deemed to be a new Alternate Proposal for purposes of this clause (iii); and provided further that, with respect to any action or inaction of the Alcatel Lucent Chief Executive Officer or the Chairman of the Alcatel Lucent board of directors (without the consent of the Alcatel Lucent board of directors), none of clauses (i), (ii) or (iii) constitute a Change in Alcatel Lucent Board Recommendation if the Alcatel Lucent board of directors, within two MoU Business Days of the relevant action or inaction, issues a statement expressly and unequivocally rejecting such action or inaction and re-issuing the Alcatel Lucent Board Recommendation.

Nokia Board Recommendation

On October 22, 2015, the Nokia board of directors unanimously reiterated its support for the transaction and unanimously determined, subject to its fiduciary duties under applicable law and the terms and conditions of the Memorandum of Understanding, to recommend that the Nokia shareholders vote in favor of the resolution presented to them to approve the authorization for the Nokia board of directors to issue such number of new Nokia Shares as may be necessary for delivering the Nokia Shares offered in consideration for the Alcatel Lucent Securities tendered into the Exchange Offer and the appointment of the three members of the Nokia board of directors identified jointly by the Corporate Governance & Nomination committee of the Nokia board of directors and by Alcatel Lucent, in each case subject to the Completion of the Exchange Offer.

Change in Nokia Board Recommendation

Except as set forth below, the Nokia board of directors agreed not to make a Change in Nokia Board Recommendation (as defined below). Notwithstanding the foregoing, at any time prior to the Nokia shareholder vote with respect to the Nokia Shareholder Approval, the Nokia board of directors may make a Change in Nokia Board Recommendation in response to a Nokia Intervening Event (as defined below) if it determines in good faith that its failure to do so would be inconsistent with its fiduciary duties under applicable law, after giving effect to such changes as are offered by Alcatel Lucent within ten MoU Business Days after receiving the notice thereof to address such Nokia Intervening Event. Prior to the Nokia board of directors making a Change in Nokia Board Recommendation, Nokia agreed to send a written notice to Alcatel Lucent that Nokia intends to take such action. Upon receipt of such notice by Alcatel Lucent, Nokia agreed, upon the request of Alcatel Lucent in its sole discretion, to negotiate in good faith with Alcatel Lucent during a period of ten MoU Business Days from the date on which Alcatel Lucent received such notice with respect to any changes to the terms of the Memorandum of Understanding or the Exchange Offer irrevocably offered by Alcatel Lucent. If the Nokia board of directors determines in good faith (after consultation with its outside legal counsel and financial advisors in each case of international repute), after giving effect to such changes as are irrevocably offered by Alcatel Lucent, that its failure to make a Change in Nokia Board Recommendation in connection with such Nokia Intervening Event continues to be inconsistent with its fiduciary duties under applicable law, then Nokia may make a Change in Nokia Board Recommendation in connection with such Nokia Intervening Event.

Change in Nokia Board Recommendation means Nokia (through the Nokia President & Chief Executive Officer or the Chairman of the Nokia board of directors) or the Nokia board of directors (i) at any time withdrawing, amending, qualifying or modifying, or publicly proposing to withdraw, amend, qualify or modify, the Nokia Board Recommendation in a manner materially adverse to Alcatel Lucent or the holders of the Alcatel Lucent Securities provided that, with respect to any action or inaction of the Nokia President & Chief Executive Officer or the Chairman of the Nokia board of directors (without the consent of the Nokia board of directors), none of the foregoing shall constitute a Change in Nokia Board Recommendation if the Nokia board of directors, within two MoU Business Days of the relevant action or inaction, issues a statement expressly and unequivocally rejecting such action or inaction and re-issuing the Nokia Board Recommendation or (ii) at the time Nokia convenes or holds the Nokia general meeting, the Nokia board of directors failing to reiterate the Nokia Board Recommendation.

Nokia Intervening Event means any change, condition, effect, event or occurrence that is unknown to and not reasonably foreseeable by the Nokia board of directors on the date of the Memorandum of Understanding, which change, condition, effect, event or occurrence becomes known to the Nokia board of directors prior to obtaining the Nokia Shareholder Approval; provided, however, that none of the following (or the consequences thereof) will constitute a Nokia Intervening Event: (i) any action taken by any party pursuant to the Memorandum of Understanding or in connection with the transactions contemplated by the Memorandum of Understanding; (ii) any changes in the market price or trading volume of the Alcatel Lucent Securities or the Nokia Shares or the respective credit ratings of Alcatel Lucent or Nokia; (iii) the receipt, existence of or terms of any proposal by a third party to acquire (directly or indirectly) an interest, assets, securities or enter into an arrangement (including any merger, reorganization, restructuring, contribution, share exchange, consolidation, business combination, joint venture, recapitalization, liquidation, dissolution or similar transaction) in respect of Nokia or any of Nokia s subsidiaries or any inquiry relating thereto, or the implementation of any such arrangements; (iv) any change, condition, effect, event or occurrence relating to the transactions contemplated by the Memorandum of Understanding; or (v) any change, condition, effect, event or occurrence referred to in clauses (i) through (ix) of the definition of Material Adverse Effect (as set forth in the Memorandum of Understanding).

Indemnification and D&O Insurance

Subject to the Completion of the Exchange Offer and for six years following the Completion of the Exchange Offer, Nokia agreed to cause Alcatel Lucent or its subsidiaries to indemnify and provide advancement of expenses to all past and present directors and senior officers of Alcatel Lucent on terms not less favorable to such director or senior officer than those provided to him or her by Alcatel Lucent or its subsidiaries on the date of the Memorandum of Understanding. The preceding indemnity provision will be deemed satisfied if Alcatel Lucent or Nokia purchase a six-year tail prepaid policy on the relevant terms.

Conditions to the Filing of the French Offer

Pursuant to the Memorandum of Understanding, the filing of the French Offer with the AMF was subject to certain customary conditions precedent, including the following:

- absence of injunction or law in effect immediately prior to the filing of the French Offer making illegal, restraining, enjoining or otherwise prohibiting the Exchange Offer;

- receipt of competition approvals including (i) expiration or termination of the waiting period pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976, (ii) approval pursuant to Council Regulation (EC) No. 139/2004, and (iii) approval pursuant to the merger control laws in the following countries: Brazil, Canada, China, India, Japan, Taiwan and Russia;

- the authorization of the Ministry of Economy and Finance of the French Republic and the receipt of the required approval of the Committee on Foreign Investment in the United States;

- accuracy of the representations and warranties of Alcatel Lucent, subject to a materiality standard;

- performance of the covenants under the Memorandum of Understanding by Alcatel Lucent, subject to a materiality standard;

reiteration or issuance of the Alcatel Lucent Board Recommendation; and

absence of a continuing Material Adverse Effect (as defined in the Memorandum of Understanding) with respect to Alcatel Lucent.
All of the foregoing conditions were satisfied or waived prior to the filing of the French Offer with the AMF on October 29, 2015.

Termination of the Memorandum of Understanding

The Memorandum of Understanding may be terminated by mutual agreement of Nokia and Alcatel Lucent.

After the commencement of the U.S. Offer, the Memorandum of Understanding may be terminated either by Nokia or Alcatel Lucent with a written notice to the other party (subject to certain exceptions):

(a) if, pursuant to Article 232-11 of the AMF General Regulation, the French Offer has been withdrawn by Nokia, or the AMF has published a notice that the French Offer was not successful;

(b) if any relevant governmental authority of competent jurisdiction shall have (i) denied in writing any regulatory consent required under the Memorandum of Understanding or (ii) enacted, issued, promulgated or granted any restricting law prohibiting the transaction contemplated by the Memorandum of Understanding;

(c) if the Alcatel Lucent board of directors withdraws its support for the Exchange Offer in connection with a Superior Proposal; or

(d) prior to the Completion of the Exchange Offer if the resolution related to the Nokia Shareholder Approval has been submitted at the Nokia extraordinary general meeting and the Nokia Shareholder Approval shall not have been validly obtained.

After the commencement of the Exchange Offer, the Memorandum of Understanding may be terminated by Nokia with a written notice to Alcatel Lucent (subject to certain exceptions) for any reason other than in connection with a Superior Proposal or in response to a material adverse effect with respect to Nokia if the Alcatel Lucent board of directors withdraws its support for the Exchange Offer.

After the commencement of the Exchange Offer, the Memorandum of Understanding may be terminated by Alcatel Lucent with a written notice to Nokia (subject to certain exceptions) if the Nokia board of directors makes a Change in Nokia Board Recommendation.

The Memorandum of Understanding contains certain other termination provisions that have expired prior to commencement of the U.S. Offer.

Even if the Memorandum of Understanding was terminated, such a termination would not automatically result in the withdrawal of the French Offer. According to Article 232-11 of the AMF General Regulation, an offeror may only withdraw its offer in limited circumstances.

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Termination Fees

After the commencement of the Exchange Offer, Nokia may be obligated to pay to Alcatel Lucent:

(a) EUR 150 million if the Memorandum of Understanding is terminated due to a failure to obtain Nokia Shareholder Approval;

(b) EUR 300 million if the Memorandum of Understanding is terminated due to (i) Change in Nokia Board Recommendation or (ii) material breach by Nokia of the Memorandum of Understanding and Nokia or Nokia s board of directors having taken deliberate action to frustrate the obtaining of the Nokia Shareholder Approval; or

(c) EUR 400 million if the Memorandum of Understanding is terminated due to a relevant authority of competent jurisdiction having enacted or otherwise issued an injunction or a restricting law with respect to the Exchange Offer.

After the commencement of the Exchange Offer, Alcatel Lucent may be obligated to pay to Nokia:

(a) EUR 300 million if the Memorandum of Understanding is terminated due to (i) Alcatel Lucent board of directors decision or measure leading to withdrawal of the French Offer pursuant to Article 232-11 of the AMF General Regulation or (ii) change in Alcatel Lucent Board Recommendation; or

(b) EUR 300 million if (i) a certain type of an Alternate Proposal is publicly announced or otherwise communicated to Alcatel Lucent, (ii) Alcatel Lucent does not make a Change in Alcatel Lucent Board Recommendation, (iii) the Exchange Offer is terminated due to failure to satisfy the Minimum Tender Condition and (iv) within 12 months of such termination, Alcatel Lucent enters into and consummates an agreement with respect to such Alternate Proposal with the person making such Alternate Proposal.

The Memorandum of Understanding contains certain other termination fee provisions that expired prior to commencement of the U.S. Offer.

Standstill

Nokia and Alcatel Lucent agreed to reciprocal standstill periods, subject to customary exceptions, with respect to the other party s securities following certain events of termination of the Memorandum of Understanding. The standstill periods would last until the longer of the 12-month anniversary of the termination date of the Memorandum of Understanding and the 18-month anniversary of the date of the Memorandum of Understanding.

Exchange Ratio Adjustment Mechanism

According to the Memorandum of Understanding, if between the date of the Memorandum of Understanding (i.e., April 15, 2015) and the settlement date of the Exchange Offer or, if any, the subsequent offering period (or the relevant settlement date with respect to any additional acceleration mechanism of the Alcatel Lucent Stock Options and Performance Shares plans), (i) the outstanding Alcatel Lucent Shares or Nokia Shares are changed into a different number of shares or a different class by reason of any share dividend, subdivision, reclassification, split, reverse split, combination or exchange of shares, or (ii) Alcatel Lucent or Nokia resolve to pay any dividend (other than, with respect to Nokia, the ordinary dividend of 0.14 euros announced prior to the date of the Memorandum of Understanding, on January 29, 2015 and paid on May 21, 2015. It is specified that Nokia may,

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pursuant to the Memorandum of Understanding, pay other ordinary course cash dividends consistent with past practices or a special cash dividend in an amount up to one billion euros without the prior consent of Alcatel Lucent, but which would give rise to an adjustment, or (iii) Alcatel Lucent or Nokia make any other distribution to its security holders or shareholders in each case with a record date before the settlement of the Exchange Offer or, if any, the subsequent offering period (or the relevant settlement date with respect to any additional acceleration mechanism of the Alcatel Lucent Stock Options and Performance Shares plans), then the consideration offered to the holders of Alcatel Lucent Securities after such event pursuant to the Exchange Offer will be appropriately adjusted to provide to the holders of such Alcatel Lucent Securities the same economic effect as contemplated by the Memorandum of Understanding prior to such event.

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THE EXCHANGE OFFER

Terms of the Exchange Offer

Nokia, a Finnish corporation, is offering, upon the terms and subject to the Conditions set out in this exchange offer/prospectus and the French Offer Documentation to acquire all of the Alcatel Lucent Securities through the Exchange Offer whereby Alcatel Lucent Securities will be exchanged for Nokia Shares or Nokia ADSs, as described below.

As of the opening of the Exchange Offer, Nokia does not own, directly or indirectly, acting alone or in concert, any Alcatel Lucent Securities. As of the date of this exchange offer/prospectus, Nokia has not entered into any agreements to acquire Alcatel Lucent Securities outside of the Exchange Offer.

The Exchange Offer is comprised of the U.S. Offer and the French Offer. The U.S. Offer is being made pursuant to this exchange offer/prospectus to:

- all U.S. holders of outstanding Alcatel Lucent Shares,
- all holders of outstanding Alcatel Lucent ADSs, wherever located, and
- all U.S. holders of outstanding OCEANEs.

For every Alcatel Lucent Share you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 Nokia Share. For every Alcatel Lucent ADS you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.5500 Nokia ADS. For every 2018 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.6930 Nokia Share, for every 2019 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share and for every 2020 OCEANE you validly tender into, and do not withdraw from, the U.S. Offer, you will receive 0.7040 Nokia Share. Holders of Alcatel Lucent ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer. Holders of Alcatel Lucent Securities who are restricted from participating in the U.S. Offer pursuant to the Sanctions may not participate in the U.S. Offer.

The French Offer to exchange 0.5500 Nokia Share for every Alcatel Lucent Share, 0.6930 Nokia Share for every 2018 OCEANE, 0.7040 Nokia Share for every 2019 OCEANE, and 0.7040 Nokia Share for every 2020 OCEANE, is being made pursuant to the French Offer Documentation available to holders of Alcatel Lucent Shares and OCEANEs who are located in France (holders of Alcatel Lucent Shares and OCEANEs who are located outside of France may not participate in the French Offer except if, pursuant to the local laws and regulations applicable to those holders, they are permitted to participate in the French Offer).

After Completion of the Exchange Offer and assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any, former holders of Alcatel Lucent Securities are expected to own approximately 33.5% of the issued and outstanding Nokia Shares on a fully diluted basis (based on the number of shares outstanding on December 31, 2014).

Nokia s obligation to exchange Nokia Shares for Alcatel Lucent Securities pursuant to the Exchange Offer is subject to the Conditions described under Conditions to the Exchange Offer.

Holders of Alcatel Lucent Securities who tender their securities for Nokia Shares or Nokia ADSs pursuant to the Exchange Offer will not be obligated to pay any charges or expenses of the U.S. exchange agent, of the Nokia depositary or of the Alcatel Lucent depositary.

Holders whose Alcatel Lucent Securities are tendered for Nokia Shares or Nokia ADSs pursuant to the Exchange Offer by a broker, dealer, commercial bank, trust company or other nominee will be

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responsible for any fees or commissions such nominees may charge in connection with such tender. No commission will be paid by Nokia to any intermediary of Alcatel Lucent Security holders or any person soliciting the contribution of Alcatel Lucent Securities into the Exchange Offer. Holders of Alcatel Lucent Securities who tender their securities pursuant to the Exchange Offer will also be responsible for all governmental charges and taxes payable in connection with such tender.

Offer Period

The U.S. Offer is expected to commence on November 18, 2015 following Nokia s filing of the Schedule TO with the SEC. The U.S. Offer and withdrawal rights for tenders of Alcatel Lucent Shares and OCEANEs into the U.S. Offer will expire at the Expiration Date (which is 11:00 A.M., New York City time (5:00 P.M., Paris time) on December 22, 2015 unless the U.S. Offer is extended). The ADS Tender Deadline for validly tendering and withdrawing Alcatel Lucent ADSs in the U.S. Offer will expire at 5:00 P.M., New York City time, on the U.S. business day immediately preceding the Expiration Date, which will be December 21, 2015 unless the U.S. Offer is extended.

Extension, Termination and Amendment

Pursuant to the Memorandum of Understanding, Nokia has agreed to ensure that, subject to applicable law, the period during which the U.S. Offer is open (which will be at least 20 U.S. business days) corresponds to the period during which the French Offer is open (including any extensions or subsequent offering periods in relation to the French Offer). According to Article 231-34 of the AMF General Regulation, during the offer period, only the AMF can extend the French Offer. The AMF may extend the French Offer period in certain circumstances, including if a competing offer is filed, if the terms of the French Offer are improved, if the AMF s decision to clear the French Offer is being appealed, or in case it requires the amendment of the French Offer Documentation relating, in particular, to the legal, financial and accounting characteristics of Nokia or Alcatel Lucent, due to an omission or inaccuracy. Subject to the U.S. federal securities laws and the Memorandum of Understanding, Nokia expressly reserves the right to extend the U.S. Offer either to match the extension of the French Offer or otherwise.

Furthermore, Nokia may be required by the U.S. federal securities laws (including Rule 14e-1 under the Exchange Act) to extend the U.S. Offer, if Nokia makes a material change to the terms of the U.S. Offer. For example, if Nokia changes the percentage of Alcatel Lucent Securities sought in the U.S. Offer or the exchange ratio applicable to the U.S. Offer within ten U.S. business days prior to the then-scheduled Expiration Date, the U.S. Offer will be extended so that it will expire no less than ten U.S. business days after the change is first published, sent or given to holders of Alcatel Lucent Securities in order to allow adequate dissemination and investor response to the change. If Nokia makes any other material change to the terms of the U.S. Offer or in the information concerning the U.S. Offer, or waives a material condition of the U.S. Offer, Nokia will extend the U.S. Offer, if required by applicable law, for a period sufficient to allow you to consider the amended terms of the U.S. Offer. Nokia will comply with Rule 14d-4(d)(2) under the Exchange Act in connection with material changes to the terms of the U.S. Offer. If Nokia is required to extend the U.S. Offer pursuant to the SEC rules and regulations, it intends to seek AMF s consent to a corresponding extension of the French Offer. There is no guarantee that AMF would grant such consent, which may lead to different offering periods for the French Offer and the U.S. Offer.

To the extent permitted by applicable rules and regulations of the AMF and the SEC and subject to the Memorandum of Understanding, Nokia expressly reserves the right to, at any time and from time to time:

- terminate or amend the U.S. Offer (and not accept at expiration of the offer period any Alcatel Lucent Securities) upon the failure of any of the Conditions described in this exchange offer/prospectus below under Conditions to the Exchange Offer ;

prior to the expiration of the offer period of the French Offer, revoke the French Offer in accordance with the AMF General Regulation with the prior approval of the AMF if (i) the Exchange Offer becomes without purpose, or (ii) (A) Alcatel Lucent adopted measures which modify its substance during the offer period or in case the Exchange Offer is successful, or (B) the measures taken by Alcatel Lucent render the continuation of the Exchange Offer particularly onerous. The French Offer may be revoked until the expiration of the French Offer. The AMF General Regulation does not define under which circumstances an offer becomes without purpose or is substantially modified or is particularly onerous. The assessment is made by the AMF on a case-by-case basis. Revocation of the French Offer would likely have a material adverse effect on the U.S. Offer, including the likely failure of the Minimum Tender Condition; and

waive any Condition or otherwise amend the Exchange Offer in any respect, provided that, under the AMF General Regulation, Nokia may not amend the terms of the French Offer in a manner adverse to the shareholders and any amendment must be made no later than five French trading days prior to the expiration of the French Offer period and requires the prior approval of the AMF. A waiver of a material condition or any other material change to the U.S. Offer, if that waiver or change occurs ten or five U.S. business days, as applicable, prior to the date the U.S. Offer is scheduled to expire, may also require the extension of the U.S. Offer as described above. Under the AMF General Regulation, the Minimum Tender Condition is waived by Nokia, the Exchange Offer will lapse if Nokia fails to cross the Mandatory Minimum Acceptance Threshold. In addition, pursuant to the Memorandum of Understanding, Nokia cannot, without the prior written consent of Alcatel Lucent, amend, modify, supplement or waive any term of the Exchange Offer or Condition, other than the Minimum Tender Condition, in a manner materially adverse to Alcatel Lucent or the holders of Alcatel Lucent Securities.

In addition, as described further in Conditions to the Exchange Offer , we may waive the Minimum Tender Condition to any level above the Mandatory Minimum Acceptance Threshold at the time of announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer) without extending the Exchange Offer period.

To extend, terminate, waive a Condition to or amend the U.S. Offer, Nokia will notify the U.S. exchange agent by written notice or oral notice confirmed in writing. If Nokia determines to extend, terminate, waive a Condition to or amend the Exchange Offer, it will seek any required approval of the AMF and, upon such approval, or if such approval is not required, no later than 9:00 A.M., New York City time, on the next U.S. business day after such extension, termination, waiver or amendment, it will make public announcement thereof. Subject to applicable law (including Rule 14d-4(d)(1) under the Exchange Act, which requires that any material change in the information published, sent or given to shareholders in connection with the U.S. Offer be promptly disseminated to security holders in a manner reasonably designed to inform security holders of that change) and without limiting the manner in which Nokia may choose to make any public announcement, Nokia does not assume any obligation to publish, advertise or otherwise communicate any public announcement of this type, as explained below, other than by issuing a public announcement. In addition, Nokia will post notice of any public announcement of this type on Nokia s website at *www.nokia.com*. The information on such website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

If Nokia extends the period of time during which the U.S. Offer is open, the U.S. Offer will expire at the latest time and date to which Nokia extends the Expiration Date or ADS Tender Deadline, as applicable. During any such extension, all Alcatel Lucent Securities validly tendered into, and not withdrawn from, the U.S. Offer prior to that date will remain subject to your right to withdraw your Alcatel Lucent Securities, except during the subsequent offering period, as discussed below. You should read the discussion under Withdrawal Rights for more information about your ability to withdraw tendered Alcatel Lucent Securities.

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Subsequent Offering Period

A subsequent offering period is an additional period of time after Nokia has acquired Alcatel Lucent Securities in the Exchange Offer during which holders may tender, but not withdraw, Alcatel Lucent Securities and receive the Exchange Offer consideration. Pursuant to the Memorandum of Understanding, and according to Article 232-4 of the AMF General Regulation, if more than 50% but less than 95% of the share capital and voting rights of Alcatel Lucent have been tendered in and not withdrawn from the Exchange Offer, there will be a subsequent offering period for the French Offer. Under the AMF General Regulation, the subsequent offering period for the French Offer will begin no later than ten French trading days following the publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer) and must last at least ten French trading days. Pursuant to the Memorandum of Understanding, Nokia has agreed to ensure that, subject to applicable law, the period during which the U.S. Offer is open corresponds to the period during which the French Offer is open (including subsequent offering periods in relation to the French Offer). If a subsequent offering period is provided, Nokia will publicly announce the results of the Exchange Offer, including the approximate number and percentage of Alcatel Lucent Securities tendered to date, no later than nine French trading days after the Expiration Date and will thereafter begin the subsequent offering period in accordance with AMF General Regulation. Nokia expressly reserves the right in its sole discretion to conduct a subsequent offering period for the U.S. Offer either to match the subsequent offering period of the French Offer or otherwise. Nokia also expressly reserves the right, in is sole discretion, to extend the subsequent offering period for the U.S. Offer by giving oral or written notice to the U.S. exchange agent.

Pursuant to Rule 14d-7(a)(2) under the Exchange Act, no withdrawal rights apply to Alcatel Lucent Securities tendered during a subsequent offering period and no withdrawal rights apply during the subsequent offering period with respect to the Alcatel Lucent Securities previously tendered in the U.S. Offer and accepted for exchange. The same consideration will be received by Alcatel Lucent Security holders tendering in the Exchange Offer or in a subsequent offering period. Please see the section of this exchange offer/prospectus entitled Withdrawal Rights.

Withdrawal Rights

Alcatel Lucent ADSs tendered into the U.S. Offer can be withdrawn at any time prior to the ADS Tender Deadline. However, these withdrawal rights will not be available following the expiration of the U.S. Offer and prior to the commencement of the subsequent offering period, if any. In addition, subject to satisfaction of all Conditions other than the Minimum Tender Condition, these withdrawal rights will not be available during the period that the securities tendered into the Exchange Offer are being counted. For your withdrawal of your Alcatel Lucent ADSs to be effective, the U.S. exchange agent must receive a timely written notice of withdrawal. Any such notice must specify the name of the person who tendered the Alcatel Lucent ADSs being withdrawn, the number of Alcatel Lucent ADSs being withdrawn and the name of the registered holder if different from that of the person who tendered such Alcatel Lucent ADSs.

If certificates evidencing Alcatel Lucent ADSs being withdrawn have been delivered or otherwise identified to the U.S. exchange agent, then, prior to the physical release of such certificates, (1) the U.S. exchange agent also must receive the name of the registered holder and the serial numbers of the particular certificate evidencing the Alcatel Lucent ADSs and (2) the signature(s) on the notice of withdrawal must be guaranteed by an eligible institution unless such Alcatel Lucent ADSs have been tendered for the account of an eligible institution. If Alcatel Lucent ADSs have been tendered pursuant to the procedure for book-entry transfer, any notice of withdrawal must specify the name and number of the account at DTC to be credited with the withdrawal of the securities.

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Alcatel Lucent Shares or OCEANEs tendered for exchange may be withdrawn at any time prior to the Expiration Date. However, these withdrawal rights will not be available following the expiration of the offer period and prior to the commencement of the subsequent offering period, if any. In addition, subject to satisfaction of all Conditions other than the Minimum Tender Condition, these withdrawal rights will not be available during the period that the securities tendered into the Exchange Offer are being counted. To withdraw previously tendered Alcatel Lucent Shares or OCEANEs, you should contact the French or non-French financial intermediary or nominee through whom you tendered regarding their withdrawal procedures. If you wish to withdraw your Alcatel Lucent Shares or OCEANEs, it is your responsibility to ensure that the financial intermediary that has been instructed to tender your Alcatel Lucent Shares or OCEANEs receives proper instruction to withdraw the tender of those Alcatel Lucent Shares or OCEANEs sufficiently in advance of the Expiration Date.

In addition, in accordance with U.S. securities laws, tendered Alcatel Lucent Securities may generally be withdrawn if they have not been accepted for exchange within 60 days after commencement of the U.S. Offer.

During any subsequent offering period no withdrawal rights will apply to Alcatel Lucent Securities tendered during such subsequent offering period, pursuant to Rule 14d-7(a)(2) under the Exchange Act.

Nokia will decide all questions as to the form and validity (including time of receipt) of any notice of withdrawal in its sole discretion, and its decision will be final and binding. None of Nokia, the U.S. exchange agent, the information agent nor any other person will be under any duty to give notification of any defects or irregularities in any notice of withdrawal or will incur any liability for failure to give any such notification.

Any Alcatel Lucent Securities properly withdrawn will be deemed not to have been validly tendered for purposes of the Exchange Offer. However, you may retender withdrawn Alcatel Lucent Securities by following one of the procedures discussed in the section of this exchange offer/prospectus entitled Procedure for Tendering at any time prior to the Expiration Date or the ADS Tender Deadline, as applicable, or during any subsequent offering period.

Centralization of the orders

The centralization of the orders to tender the Alcatel Lucent Shares and the OCEANEs into the French Offer and into the U.S. Offer is made by Euronext Paris.

Each financial intermediary and institution holding nominative accounts of Alcatel Lucent Securities would transfer to Euronext Paris the Alcatel Lucent Shares and the OCEANEs for which they have received an order to tender into the French Offer and into the U.S. Offer, at a date indicated in the notice of Euronext Paris.

After Euronext Paris receives all orders to tender into the French Offer and into the U.S. Offer as described above, Euronext Paris will centralize all such orders, determine the results of the French Offer, taking into account the results of the U.S. Offer, and communicate such results to the AMF.

The steps set out above would be repeated in the same order and on the terms, in particular in relation of timing, which would be set out in a notice published by Euronext Paris in the context of the subsequent offering period.

The centralization of the Alcatel Lucent ADSs tendered into the U.S. Offer is made by Citibank, N.A., in its role as the U.S. exchange agent.

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During the U.S. Offer period, Alcatel Lucent ADS holders who wish to tender their Alcatel Lucent ADSs into the U.S. Offer must tender (or direct their financial intermediary to tender) such Alcatel Lucent ADSs to the U.S. exchange agent. The manner of tender will depend on whether the Alcatel Lucent ADSs are materialized or dematerialized, and on whether the dematerialized Alcatel Lucent ADSs are held through DTC or directly on the Alcatel Lucent ADS register of the Alcatel Lucent ADS depositary.

All Alcatel Lucent ADSs that are tendered to the U.S. exchange agent may be withdrawn from the tender at any time prior to the ADS Tender Deadline in accordance with the terms of the U.S. Offer. After the ADS Tender Deadline, the tendered Alcatel Lucent ADSs will be held by, or at the instruction of, the U.S. exchange agent and will not be released by the U.S. exchange agent until the announcement by the AMF of the results of the French Offer, taking into account the results of the U.S. Offer. If the French Offer is successful, the tendered Alcatel Lucent ADSs will be released by the U.S. exchange agent to Nokia. If the French Offer is not successful, the tendered Alcatel Lucent ADSs will be returned by the U.S. exchange agent to the applicable tendering parties.

No later than the fourth U.S. business day after the Expiration Date, the U.S. exchange agent will report to the AMF the total number of Alcatel Lucent ADSs tendered into and not withdrawn from the U.S. Offer.

Conditions to the Exchange Offer

Nokia s obligation to accept, and to exchange, any Alcatel Lucent Securities validly tendered into the Exchange Offer will be subject only to:

- the satisfaction of the Minimum Tender Condition or, if waived by Nokia in its sole discretion, the crossing of the Mandatory Minimum Acceptance Threshold; and

- the receipt of the Nokia Shareholder Approval.

For purposes of the Minimum Tender Condition, the fully diluted Alcatel Lucent Shares will be calculated as follows: (i) in the numerator, the sum of (A) all Alcatel Lucent Shares (including Alcatel Lucent Shares represented by ADSs) validly tendered into the Exchange Offer as of the Expiration Date and (B) all Alcatel Lucent Shares issuable upon conversion of the OCEANEs validly tendered into the Exchange Offer as of the Expiration Date taking into account the relevant OCEANEs conversion ratio applicable on the Expiration Date; and (ii) in the denominator, the sum of (A) all Alcatel Lucent Shares issued and outstanding (including Alcatel Lucent Shares represented by ADSs) as of the Expiration Date and (B) all Alcatel Lucent Shares issuable at any time prior to, on or after the Expiration Date upon the exercise of any outstanding options, warrants, convertible securities or rights to purchase, subscribe or be allocated, newly issued Alcatel Lucent Shares, including upon conversion of the OCEANEs (taking into account the relevant OCEANEs conversion ratio applicable on the Expiration Date), exercise of Alcatel Lucent Stock Options or realization of Alcatel Lucent Performance Shares.

Nokia, Alcatel Lucent and the holders of Alcatel Lucent Securities will not know whether the Minimum Tender Condition is satisfied before the publication by the AMF of the final results of the French Offer (taking into account the results of the U.S. Offer). At such time, Nokia shall determine, in its sole discretion, whether to waive the Minimum Tender Condition to any level at or above the Mandatory Minimum Acceptance Threshold.

- Under the AMF General Regulation, Nokia may waive the Minimum Tender Condition until the date of publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer). If Nokia waives the Minimum Tender Condition, set forth in provisions of Article 231-9 (II) of the AMF General Regulation, the Exchange Offer will lapse

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- if, on the Expiration Date, Nokia does not hold a number of Alcatel Lucent Shares representing at least the Mandatory Minimum Acceptance Threshold.

- If necessary to reach the Mandatory Minimum Acceptance Threshold, Nokia undertakes to convert a sufficient number of OCEANEs tendered into the Exchange Offer so that Nokia holds sufficient number of Alcatel Lucent Shares to cross the Mandatory Minimum Acceptance Threshold. The conversion of such OCEANEs will be deemed to have retroactive effect to the Expiration Date for the purpose of calculating the Mandatory Minimum Acceptance Threshold.

The Mandatory Minimum Acceptance Threshold would be calculated as follows:

- the numerator being the sum of (i) all Alcatel Lucent Shares validly tendered into the Exchange Offer (including Alcatel Lucent Shares represented by Alcatel Lucent ADSs) as of the Expiration Date and (ii) all Alcatel Lucent Shares issuable upon conversion of the OCEANEs validly tendered into the Exchange Offer as of the Expiration Date, taking into account the relevant OCEANE s conversion/exchange ratio applicable on the Expiration Date, and (iii) all Alcatel Lucent Shares held in treasury by Alcatel Lucent as well as Alcatel Lucent Shares held by its subsidiaries; and

- the denominator being the sum of (i) all Alcatel Lucent Shares issued and outstanding (including Alcatel Lucent Shares represented by Alcatel Lucent ADSs) as of the Expiration Date and (ii) all Alcatel Lucent Shares issuable upon conversion of the OCEANEs validly tendered into the Exchange Offer as of the Expiration Date taking into account the relevant OCEANE s conversion/exchange ratio applicable on the Expiration Date.

As far as Nokia is aware, as of October 29, 2015, the Mandatory Minimum Acceptance Threshold corresponds to Nokia holding 1 420 191 189 Alcatel Lucent Shares or 1 443 268 358 Alcatel Lucent voting rights (on the basis of a total number of 2 840 382 376 Alcatel Lucent Shares and 2 886 536 714 theoretical voting rights issued) on the Expiration Date.

Nokia, Alcatel Lucent and the holders of Alcatel Lucent Securities will not know whether the Mandatory Minimum Acceptance Threshold has been reached until the publication by the AMF of the final results of the French Offer (taking into account the results of the U.S. Offer).

Subject to the SEC rules and regulation (including the SEC rules that require that material changes of a condition be promptly disseminated to shareholders in a manner reasonably designed to inform them of such changes), Nokia expressly reserves the right, at any time, and from time to time, to waive the Minimum Tender Condition, by giving oral or written notice of the waiver to the U.S. exchange agent and by making a public announcement in accordance with the procedures outlined in Extension, Termination and Amendment above. If the Minimum Tender Condition is waived by Nokia, the Exchange Offer will lapse if Nokia fails to cross the Mandatory Minimum Acceptance Threshold.

If the Mandatory Minimum Acceptance Threshold is not met, the Alcatel Lucent Securities tendered in the Exchange Offer will be returned to their owner, within three French trading days after the publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer), without interest, compensation or any other payment which may be owed to the owners by Nokia.

In addition, in accordance with the French law and AMF General Regulation, Nokia may waive the Minimum Tender Condition to any level above the Mandatory Minimum Acceptance Threshold no later than five French trading days before the Expiration Date, in accordance with the process outlined in Article 232-7 of the AMF General Regulation.

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If Nokia elects to waive the Minimum Tender Condition at the time of announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer), Nokia would do each of the following:

- announce that we may waive or reduce the Minimum Tender Condition at least five U.S. business days before the Expiration Date;
- disseminate such announcement through a press release and other methods reasonably calculated to inform U.S. holders of the Alcatel Lucent Securities of the possibility of a waiver or reduction;
- the press release would state that the Minimum Tender Condition may be waived to 50% of the Alcatel Lucent share capital or voting rights (taking into account OCEANEs tendered into the Exchange Offer) on the date of the announcement of the results of the French Offer (taking into account the results of the U.S. Offer) in accordance with Article 231-9 of the AMF General Regulation;
- during the five U.S. business day period after the announcement of a possible waiver or reduction, withdrawal rights would be provided in accordance with the terms of the U.S. Offer;
- the announcement would advise Alcatel Lucent Security holders to withdraw tendered Alcatel Lucent Securities immediately if their willingness to tender into the U.S. Offer would be affected by the reduction or waiver of the Minimum Tender Condition;
- a subsequent offering period of not less than five U.S. business days would be provided with respect to the U.S. Offer after the announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer) (and a simultaneous waiver or reduction of the Minimum Tender Condition); and
- all conditions of the Exchange Offer, other than the Minimum Tender Condition, would be satisfied or waived after the Expiration Date (at which time, the withdrawal rights would be terminated).

If we waive the Minimum Tender Condition in accordance with the foregoing provisions at the time of announcement of the results of the French Offer (taking into account the results of the U.S. Offer), the Exchange Offer would be successful and, upon settlement, Nokia would own Alcatel Lucent Securities at a level above the Mandatory Acceptance Threshold but below the Minimum Tender Condition. In accordance with French law, at the Mandatory Minimum Acceptance Threshold, Nokia would control Alcatel Lucent.

In addition, following such waiver, we would, in accordance with the AMF General Regulation, provide a subsequent offering period of not less than ten French trading days with respect to the French Offer. We would provide a subsequent offering period with respect to the U.S. Offer to match the subsequent offering period of the French Offer, with such subsequent offering period being not less than five U.S. business days. Holders of Alcatel Lucent Securities that did not tender their Alcatel Lucent Securities into the Exchange Offer prior to the Expiration Date, would be able to tender their Alcatel Lucent Securities into the subsequent offering period in accordance with the terms thereof.

Nokia s obligation to file the French Offer with the AMF under the Memorandum of Understanding was subject to certain other conditions precedent, including receipt of certain regulatory approvals, accuracy of representations and warranties, compliance with covenants and absence of a material adverse effect. All these conditions were satisfied or waived prior to filing of the French Offer with the AMF. Refer to the Memorandum of Understanding included in Annex A to this exchange offer/prospectus for a description of such conditions.

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Procedure for Tendering

You must follow the procedures described below in a timely manner in order to tender your Alcatel Lucent Securities.

The steps you must take to validly tender into the Exchange Offer will depend on whether you hold Alcatel Lucent Shares, Alcatel Lucent ADSs or OCEANEs and whether you hold such Alcatel Lucent Shares, Alcatel Lucent ADSs or OCEANEs directly or indirectly through a broker, dealer, commercial bank, trust company or other nominee.

No commission will be paid by Nokia to any intermediary of Alcatel Lucent Security holders or any person soliciting the contribution of Alcatel Lucent Securities into the Exchange Offer.

Holders of Alcatel Lucent ADSs

If you hold Alcatel Lucent ADSs, you may tender your Alcatel Lucent ADSs into the U.S. Offer through the U.S. exchange agent, who will receive and hold tendered Alcatel Lucent ADSs for exchange on behalf of Nokia and, following Completion of the Exchange Offer or the subsequent offering period, as applicable, will exchange such Alcatel Lucent ADSs for Nokia ADSs. While you could withdraw the Alcatel Lucent Shares represented by your Alcatel Lucent ADSs and tender those Alcatel Lucent Shares into the U.S. Offer, it may not be in your best interests to do so because you will have to pay a withdrawal fee to the Alcatel Lucent depositary in an amount equal to USD 5.00 or less per 100 Alcatel Lucent ADSs (or portion thereof) surrendered to the Alcatel Lucent depositary in exchange for withdrawal of Alcatel Lucent Shares. The Alcatel Lucent ADS depositary receipt facility will be closed to deposits and withdrawals for four U.S. business days prior to the ADS Tender Deadline. Alcatel Lucent ADSs may not be tendered into the French Offer.

In tendering your Alcatel Lucent ADSs into the U.S. Offer, you should consider the following:

- you will receive Nokia ADSs;
- you will not have to pay any Nokia ADS issuance fee to the Nokia depositary;
- you will not have to pay any Alcatel Lucent ADS cancellation fee to the Alcatel Lucent depositary; and
- you will not have to pay any fee to the U.S. exchange agent to tender your Alcatel Lucent ADSs.

If you hold Alcatel Lucent ADSs and would like to tender them into the U.S. Offer, you should follow the procedures described below. Nokia has retained Citibank, N.A. to act as the U.S. exchange agent in connection with the U.S. Offer.

Please note that, in accordance with Finnish law, Finnish citizens that own Nokia Shares must be registered directly on the Nokia shareholder register and thus cannot hold Nokia ADSs.

You must follow the procedures described below in a timely manner in order to tender your Alcatel Lucent ADSs into the U.S. Offer.

THE METHOD OF DELIVERY OF ADS CERTIFICATES, THE LETTER OF TRANSMITTAL AND ALL OTHER REQUIRED DOCUMENTS, INCLUDING DELIVERY THROUGH DTC, IS AT YOUR ELECTION AND RISK. ALCATEL LUCENT ADSs WILL BE DEEMED DELIVERED ONLY WHEN ACTUALLY RECEIVED BY THE U.S. EXCHANGE AGENT (INCLUDING, IN THE CASE OF A BOOK-ENTRY TRANSFER, BY BOOK-ENTRY CONFIRMATION). IF DELIVERY IS BY MAIL,

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NOKIA RECOMMENDS THAT YOU USE PROPERLY INSURED REGISTERED MAIL WITH RETURN RECEIPT REQUESTED. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ENSURE TIMELY DELIVERY.

If you hold your Alcatel Lucent ADSs directly in certificated form and you would like to tender them in the U.S. Offer, you must complete and sign the enclosed letter of transmittal and return it together with your Alcatel Lucent ADS certificates and all other required documentation to the U.S. exchange agent at the appropriate address specified on the back cover page of this exchange offer/prospectus no later than the ADS Tender Deadline, which is 5:00 P.M., New York City time on the U.S. business day immediately preceeding the Expiration Date, which will be December 21, 2015, unless the U.S. Offer is extended. The time involved in tendering Alcatel Lucent ADSs held directly in certificated form will vary depending on the time it takes you to complete the letter of transmittal and deliver it, your Alcatel Lucent ADS certificates and any other required documentation by registered mail to the U.S. exchange agent. If your Alcatel Lucent ADS certificates are not available, you may still tender your Alcatel Lucent ADSs in accordance with the guaranteed delivery procedures set forth under Guaranteed Delivery .

If you hold your Alcatel Lucent ADSs in uncertificated form on the register of the Alcatel Lucent depositary (in direct registration form), you must complete and sign the letter of transmittal included with this exchange offer/prospectus and return it with any required documentation to the U.S. exchange agent at the appropriate address specified on the back cover page of this exchange offer/prospectus no later than the ADS Tender Deadline, which is 5:00 P.M., New York City time on December 21, 2015, unless the U.S. Offer is extended. The time involved in tendering your Alcatel Lucent ADSs held directly in uncertificated form will vary depending on the time it takes you to complete the letter of transmittal and deliver it and any other required documentation by registered mail to the U.S. exchange agent.

If you hold your Alcatel Lucent ADSs directly in book-entry form through DTC and you would like to tender them in the U.S. Offer, you must tender your Alcatel Lucent ADSs by book-entry transfer using the ATOP system no later than the ADS Tender Deadline, which is 5:00 P.M., New York City time on the U.S. business day immediately preceding the Expiration Date, which will be December 21, 2015, unless the U.S. Offer is extended.

If you hold your Alcatel Lucent ADSs indirectly through a broker, dealer, commercial bank, trust company or other nominee, you should not complete and sign the letter of transmittal included with this exchange offer/prospectus. Instead, you should instruct your broker, dealer, commercial bank, trust company or other nominee to validly tender your Alcatel Lucent ADSs in the U.S. Offer through the U.S. exchange agent on your behalf sufficiently in advance of the ADS Tender Deadline so that the broker, dealer, commercial bank, trust company or other nominee can effect such tender through the U.S. exchange agent on your behalf prior to the ADS Tender Deadline. If you hold Alcatel Lucent ADSs indirectly through a broker, dealer, commercial bank, trust company or other nominee, the time involved to validly tender your Alcatel Lucent ADSs will vary depending on the time it takes you to instruct your broker, dealer, commercial bank, trust company or other nominee to validly tender your Alcatel Lucent ADSs in the U.S. Offer through the U.S. exchange agent and (i) if your Alcatel Lucent ADSs are evidenced by ADS certificates, the time it takes your broker, dealer, commercial bank, trust company or other nominee to complete the letter of transmittal on your behalf and deliver it and your Alcatel Lucent ADS certificates and any other required documentation by registered mail to the U.S. exchange agent or (ii) if you hold Alcatel Lucent ADSs in book-entry form through DTC, the time it takes your broker, dealer, commercial bank, trust company or other nominee to validly tender your Alcatel Lucent ADSs by book-entry transfer.

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The U.S. exchange agent has established an additional means for registered holders of uncertificated Alcatel Lucent ADSs to complete and deliver letters of transmittal via the internet, by signing onto a secure website established and maintained by the U.S. exchange agent and filling in the applicable information online. Detailed instructions for completing and delivering the letter of transmittal via the internet (including the applicable password) are set forth in the letter of transmittal being distributed to holders of uncertificated Alcatel Lucent ADSs.

The U.S. exchange agent will receive and hold all tendered Alcatel Lucent ADSs for the benefit of Nokia. If all the Conditions have been satisfied or waived by Nokia, then the Alcatel Lucent ADSs will be accepted for exchange in the Exchange Offer.

Delivery of documents to DTC will not constitute delivery to the U.S. exchange agent.

If the certificates for Alcatel Lucent ADSs are registered in the name of a person other than the signer of the letter of transmittal, or if consideration is to be delivered or certificates for Alcatel Lucent ADSs not validly tendered or not accepted for payment are to be returned to a person other than the registered holder of the certificates surrendered, then the validly tendered certificates must be endorsed or accompanied by appropriate stock powers, in either case signed exactly as the name or names of the registered holders or owners appear on the certificates, with the signatures on the certificates or stock powers guaranteed by an eligible institution as described above.

No alternative, conditional or contingent tenders of Alcatel Lucent ADSs will be accepted, and no fractional Alcatel Lucent ADSs will be accepted. By delivering the letter of transmittal, you waive any right to receive any notice of the acceptance of your Alcatel Lucent ADSs for exchange.

All properly completed and duly executed letters of transmittal, Alcatel Lucent ADS certificates and any other required documents or, in the case of delivery of the letters of transmittal via internet, all letters of transmittal delivered via the U.S. exchange agent s designated website or, in the case of a book-entry transfer, all agent s messages, delivered to the U.S. exchange agent by you or on your behalf will be deemed, without any further action by the U.S. exchange agent, to constitute acceptance by you of the U.S. Offer with respect to your Alcatel Lucent ADSs validly tendered in the U.S. Offer upon the terms and subject to the conditions set forth in this exchange offer/prospectus and the accompanying letter of transmittal.

If your Alcatel Lucent ADSs are not accepted for exchange for any reason, your Alcatel Lucent ADS certificates or your Alcatel Lucent ADSs in book-entry form will be returned promptly after the expiration or termination of the U.S. Offer or your proper withdrawal of the Alcatel Lucent ADSs from the U.S. Offer, as applicable. In the case of Alcatel Lucent ADSs in book-entry form, such return will be effected by crediting such Alcatel Lucent ADSs to the account at DTC from which they were transferred. In the case of certificated ADSs, the return will be effected by mailing the applicable certificated ADSs to the address on the books and records of the Alcatel Lucent depositary.

Alcatel Lucent ADSs in respect of which a valid tender has been made will be held subject to the control of, or in an account controlled by, the U.S. exchange agent, and consequently you will not be able to sell, assign, transfer or otherwise dispose of such securities until such time as (i) you withdraw your Alcatel Lucent ADSs from the U.S. Offer, (ii) your Alcatel Lucent ADSs have been exchanged for Nokia ADSs (in which case you will only be able to sell, assign, transfer or otherwise dispose of the Nokia ADSs received in respect of your Alcatel Lucent ADSs) or (iii) your Alcatel Lucent ADSs have been returned to you if the U.S. Offer expires or is terminated or because they were not accepted for exchange.

Guaranteed Delivery

If you wish to tender Alcatel Lucent ADSs pursuant to the U.S. Offer and your Alcatel Lucent ADSs are not immediately available or you otherwise cannot deliver the Alcatel Lucent ADS certificates (the Alcatel Lucent ADRs) and all other required documents to the U.S. exchange agent prior to the ADS Tender Deadline, you may nevertheless tender such Alcatel Lucent ADSs into the U.S. Offer provided that all of the following conditions are satisfied:

- the tender is made by or through a financial institution (including most banks, savings and loan associations and brokerage houses) that is a participant in good standing in the Securities Transfer Agents Medallion Program, the NYSE Medallion Signature Program or the Stock Exchanges Medallion Program, or is otherwise an Eligible Guarantor Institution (as defined in Rule 17Ad-15 under the Exchange Act) (referred to collectively as Eligible Institutions);

- a properly completed and duly executed notice of guaranteed delivery, substantially in the form made available by us, is received by the U.S. exchange agent as provided below on or prior to the ADS Tender Deadline; and

- within three U.S. business days after the date of execution of such notice of guaranteed delivery, you deliver to the U.S. exchange agent, either:

  - your Alcatel Lucent ADRs, in proper form for transfer, together with a properly completed and duly executed letter of transmittal, with any required signature guarantee, or

  - a confirmation of a book-entry transfer of your Alcatel Lucent ADSs into the account of the U.S. exchange agent at DTC as described above, together with a properly completed and duly executed letter of transmittal, with any required signature guarantee or an agent s message.

The notice of guaranteed delivery may be delivered by hand or transmitted by facsimile transmission mailed to the U.S. exchange agent, or may be delivered by agent s message in DTC s ATOP system. The notice of guaranteed delivery must in all cases include a guarantee by an Eligible Institution in the form set forth in such notice. Delivery of documents to DTC in accordance with its procedures does not constitute delivery to the U.S. exchange agent.

Holders of Alcatel Lucent Shares

If you hold Alcatel Lucent Shares, there are two possible ways to validly tender them into the U.S. Offer:

- you can tender your Alcatel Lucent Shares in exchange for Nokia Shares; or

- you can deposit your Alcatel Lucent Shares into the Alcatel Lucent ADS program, receive Alcatel Lucent ADSs representing your deposited Alcatel Lucent Shares and tender those Alcatel Lucent ADSs in exchange for Nokia ADSs in which case you will have to pay the Alcatel Lucent ADS issuance fee to the Alcatel Lucent depositary of $5.00 (or less) per 100 Alcatel Lucent ADSs issued. The Alcatel Lucent ADS program will be closed to deposits and withdrawals for four U.S. business days prior to the ADS Tender Deadline.

In deciding which method you should use to validly tender your Alcatel Lucent Shares into the U.S. Offer, you should consider the following:

If you validly tender your Alcatel Lucent Shares:

you will receive Nokia Shares;

your Nokia Shares will be in uncertificated form and, at your election, may be deposited into either (i) the same account in which you held your Alcatel Lucent Shares or (ii) your personal

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book-entry account with a Finnish book-entry operator, into your account with a financial intermediary or your broker s, dealer s, commercial bank s, trust company s or other nominee s book-entry account with a Finnish book-entry operator or a financial intermediary. If you fail to make an election, or your election instruction is determined, in our sole discretion, to be deficient, your Nokia Shares will be deposited into the same account in which you held your Alcatel Lucent Shares; and

you will not have to pay any fee to the U.S. exchange agent to tender your Alcatel Lucent Shares.

If you hold Alcatel Lucent Shares and would like to deposit them in the Alcatel Lucent ADS program, receive Alcatel Lucent ADSs representing your deposited Alcatel Lucent Shares and tender those Alcatel Lucent ADSs into the U.S. Offer through the U.S. exchange agent, you should tender the Alcatel Lucent ADSs representing your deposited Alcatel Lucent ADSs by following the procedures described above in Holders of Alcatel Lucent ADSs. It may, however, not be in your best interests to do so because you will have to pay an issuance fee to the Alcatel Lucent depositary in an amount equal to USD 5.00 or less per 100 Alcatel Lucent ADSs (or portion thereof) issued by the Alcatel Lucent depositary in exchange for the Alcatel Lucent Shares deposited. The Alcatel Lucent ADS program will be closed to deposits and withdrawals for four U.S. business days prior to the ADS Tender Deadline.

Also, if you hold Alcatel Lucent Shares and would like to hold Nokia ADSs after Completion of the Exchange Offer, please note that Nokia has agreed with Citibank, N.A., Nokia s ADS depositary, that, if the Exchange Offer is successful, Citibank will not charge any ADS issuance fees for the issuance of new Nokia ADSs upon deposit of Nokia Shares for a period of thirty calendar days beginning on the U.S. business day following the settlement of the subsequent offering period or, if there is no subsequent offering period, the settlement of the Exchange Offer. Thus, you can convert any Nokia Shares you receive in the Exchange Offer for Nokia ADSs without any ADS issuance fees during the relevant period.

You must follow the procedures described below in a timely manner in order to tender your Alcatel Lucent Shares into the U.S. Offer.

THE METHOD OF DELIVERY OF ANY AND ALL REQUIRED DOCUMENTS IS AT YOUR ELECTION AND RISK. ALCATEL LUCENT SHARES WILL BE DEEMED DELIVERED ONLY WHEN THE TENDERING FORMALITIES SET OUT BELOW HAVE BEEN DULY COMPLETED.

If you hold your Alcatel Lucent Shares through a French financial intermediary, you should not complete the letter of transmittal. Instead, your French financial intermediary should send you transmittal materials and instructions for participating in the U.S. Offer. If you have not yet received instructions from your French financial intermediary, please contact your French financial intermediary directly.

If you hold your Alcatel Lucent Shares through a custodian that is not a French financial intermediary, you should not complete the letter of transmittal. Instead, your custodian should either forward you the transmittal materials and instructions sent by the French financial intermediary that holds the Alcatel Lucent Shares on behalf of your custodian as record owner or send a separate form prepared by your custodian. If you have not yet received instructions from your custodian, please contact your custodian directly.

If the Alcatel Lucent Shares you hold are registered in direct nominative form (*nominatif pur*) in the Alcatel Lucent shareholders register and you wish to tender your Alcatel Lucent Shares into the U.S. Offer, you must register them in administrated nominative form (*nominatif administré*) with a licensed financial intermediary of your choice, unless you have previously requested their conversion

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into bearer form. Nokia draws your attention to the fact that if you request the conversion of your Alcatel Lucent Shares into bearer form, you forfeit any benefits related to the holding of shares in nominative form if the Exchange Offer is not successful.

Holders of OCEANEs

If you hold OCEANEs, there are two possible ways to validly tender them into the U.S. Offer:

- you can tender your OCEANEs in exchange for Nokia Shares; or
- you can convert your OCEANEs into or exchange your OCEANEs for Alcatel Lucent Shares at the change of control conversion/exchange ratio and tender the resulting Alcatel Lucent Shares.

In deciding which method you should use to validly tender your OCEANEs into the U.S. Offer, you should consider the following:

- If you validly tender your OCEANEs:
  - you will receive 0.6930 Nokia Shares for every 2018 OCEANE, 0.7040 Nokia Shares for every 2019 OCEANE and 0.7040 Nokia Shares for every 2020 OCEANE tendered;
  - your Nokia Shares will be in uncertificated form and, at your election, may be deposited into either (i) the same account in which you hold your OCEANEs or (ii) your personal book-entry account with a Finnish book-entry operator, into your account with a financial intermediary or your broker s, dealer s, commercial bank s, trust company s or other nominee s book-entry account with a Finnish book-entry operator or a financial intermediary;
  - if you fail to make an election, or your election instruction is determined, in our sole discretion, to be deficient, your Nokia Shares will be deposited into the same account in which you held your OCEANEs; and
  - you will not have to pay any fee to the U.S. exchange agent to tender your OCEANEs.
- If you elect to convert your OCEANEs into or exchange your OCEANEs for Alcatel Lucent Shares at the change of control conversion/exchange ratio and tender the resulting Alcatel Lucent Shares:
  - upon conversion/exchange, you will receive 1.26 Alcatel Lucent Shares for every 2018 OCEANE, 1.28 Alcatel Lucent Share for every 2019 OCEANE and 1.28 Alcatel Lucent Share for every 2020 OCEANE that you convert/exchange; and
  - you may tender the resulting Alcatel Lucent Shares in accordance with the procedures outlined in Holders of Alcatel Lucent Shares above.

If you hold OCEANEs and would like to hold Nokia ADSs after Completion of the Exchange Offer, please note that Nokia has agreed with Citibank, N.A., Nokia s ADS depositary, that, if the Exchange Offer is successful, Citibank will not charge any ADS issuance fees for the issuance of new Nokia ADSs upon deposit of Nokia Shares for a period of thirty calendar days beginning on the U.S. business day following the settlement of the subsequent offering period or, if there is no subsequent offering period, the settlement of the Exchange Offer. Thus, you can convert any Nokia Shares you receive in the Exchange Offer to Nokia ADSs without any ADS issuance fees during the relevant period.

You must follow the procedures described below in a timely manner in order to tender your OCEANEs into the U.S. Offer.

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THE METHOD OF DELIVERY OF ANY AND ALL REQUIRED DOCUMENTS IS AT YOUR ELECTION AND RISK. OCEANEs WILL BE DEEMED DELIVERED ONLY WHEN THE TENDERING FORMALITIES SET OUT BELOW HAVE BEEN DULY COMPLETED.

If you hold your OCEANEs through a French financial intermediary, you should not complete the letter of transmittal. Instead, your French financial intermediary should send you transmittal materials and instructions for participating in the U.S. Offer. If you have not yet received instructions from your French financial intermediary, please contact your French financial intermediary directly.

If you hold your OCEANEs through a custodian that is not a French financial intermediary, you should not complete the letter of transmittal. Instead, your custodian should either forward you the transmittal materials and instructions sent by the French financial intermediary that holds the OCEANEs on behalf of your custodian as record owner or send a separate form prepared by your custodian. If you have not yet received instructions from your custodian, please contact your custodian directly.

If the OCEANEs you hold are registered in direct nominative form (*nominatif pur*) in the Alcatel Lucent shareholders register and you wish to tender your OCEANEs into the U.S. Offer, you must register them in administrated nominative form (*nominatif administré*) with a licensed financial intermediary of your choice, unless you have previously requested their conversion into bearer form. Nokia draws your attention to the fact that if you request the conversion of your OCEANEs into bearer form, you forfeit any benefits related to the holding of OCEANEs in nominative form if the Exchange Offer is not successful.

Other Requirements

The Alcatel Lucent Securities tendered into the Exchange Offer (or any subsequent offering period) must be freely transferable and free from all liens, pledges or all other security or encumbrance restricting the free transfer of ownership. Nokia reserves the right to disregard any Alcatel Lucent Securities tendered into the Exchange Offer which do not meet this requirement.

If the letter of transmittal, notice of guaranteed delivery or any certificates or stock powers are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or other persons acting in a fiduciary or representative capacity, such persons should so indicate when signing. Proper evidence of authority to act must be submitted by such persons, although we may waive this requirement.

If any Alcatel Lucent Share or OCEANE or other evidence of ownership has been mutilated, destroyed, lost or stolen, you must:

furnish to your French financial intermediary or U.S. custodian satisfactory evidence of ownership and of the destruction, loss or theft or such document;

indemnify your French financial intermediary or U.S. custodian against loss; and

comply with any other reasonable requirements.

If any Alcatel Lucent ADR has been mutilated, destroyed, lost or stolen, you must contact the Alcatel Lucent ADS depositary and comply with the requirements under the deposit agreement to obtain a replacement Alcatel Lucent ADR before you will be able to tender those Alcatel Lucent ADSs in this U.S. Offer.

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Your tender of Alcatel Lucent Securities pursuant to any of the procedures described above in Holders of Alcatel Lucent ADSs , Holder of Alcatel Lucent Shares and Holders of OCEANEs will constitute your binding agreement with us to the terms of the U.S. Offer and Conditions.

Validity of Tenders

Nokia will determine questions as to the validity, form, eligibility, including time of receipt, and acceptance for exchange of any tender of Alcatel Lucent Securities, in Nokia s sole discretion, and Nokia s determination shall be final and binding. Nokia reserves the absolute right to reject any and all tenders of Alcatel Lucent Securities that Nokia determines are not in proper form or the acceptance of or exchange for which may be unlawful. Nokia also reserves the absolute right to waive any defect or irregularity in the tender of any Alcatel Lucent Securities of any particular holder, whether or not similar defects or irregularities are waived in the case of other holders. No tender of Alcatel Lucent Securities will be deemed to have been validly made until all defects and irregularities in tenders of Alcatel Lucent Securities have been cured or waived. None of Nokia, the U.S. exchange agent nor any other person will be under any duty to give notification of any defects or irregularities in the tender of any Alcatel Lucent Securities, and none of them will incur any liability for failure to give any such notification. Nokia s interpretation of the terms of the Exchange Offer and Conditions, including the letter of transmittal and instructions thereto, will be final and binding.

Announcement of Results

The AMF is expected to announce the results of the French Offer, taking into account the results of the U.S. Offer, four to five and in any event no later than nine French trading days following the expiration of the French Offer period and, if applicable, the expiration of the subsequent offering period. In addition, Nokia will also announce the results of the Exchange Offer and, if applicable, the subsequent offering period by means of a public announcement to be issued on the date of announcement of the results by the AMF. In addition, notice will be posted on Nokia s website at *www.nokia.com.* The information on Nokia s website is not a part of this exchange offer/prospectus and is not incorporated by reference herein.

Settlement and Delivery of Securities

If the Conditions have been satisfied or, if applicable, waived, Nokia will accept for exchange and will exchange all Alcatel Lucent Securities that have been validly tendered into, and not withdrawn from, the Exchange Offer and Nokia will issue and deliver the Nokia Shares, and will cause its depositary to issue and deliver Nokia ADSs through the U.S. exchange agent, approximately five French trading days following the announcement of the results of the French Offer by the AMF, in accordance with applicable Finnish, French and U.S. rules and regulations. With respect to the subsequent offering period, if any, in accordance with the AMF General Regulation, Nokia will accept for exchange and will exchange all Alcatel Lucent Securities that have been validly tendered into the Exchange Offer during the subsequent offering period and Nokia will issue and deliver the Nokia Shares and will cause its depositary to issue and deliver Nokia ADSs through the U.S. exchange agent approximately five French trading days following the announcement of the results of the French Offer by the AMF during the subsequent offering period, in accordance with applicable Finnish, French and U.S. rules and regulations.

If you validly tender Alcatel Lucent ADSs to the U.S. exchange agent, Nokia will deposit the Nokia Shares issuable in respect of the Alcatel Lucent ADSs accepted for exchange in the U.S. Offer with the custodian of the Nokia depositary. The Nokia depositary will then issue Nokia ADSs representing such

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Nokia Shares. The U.S. exchange agent will distribute such Nokia ADSs to the holders of Alcatel Lucent ADSs acquired in the U.S. Offer as follows:

- if you hold your Alcatel Lucent ADSs directly in certificated or uncertified form and you or your nominee validly tendered your Alcatel Lucent ADSs in the U.S. Offer by means of delivery of a letter of transmittal, the U.S. exchange agent will register the applicable number of uncertificated Nokia ADSs in your name and mail to you a confirmation of such registration; or

- if you hold your Alcatel Lucent ADSs in book-entry form through DTC and such Alcatel Lucent ADSs were delivered to the U.S. exchange agent by book-entry transfer using the ATOP system, the U.S. exchange agent will deliver the applicable number of Nokia ADSs to DTC for forwarding to the account of your nominee at DTC.

Please note that, in accordance with Finnish law, Finnish citizens that own Nokia Shares must be registered directly on the Nokia shareholder register and thus can only hold Nokia Shares in their book entry account with a Finnish book-entry operator.

If you validly tender Alcatel Lucent Shares or OCEANEs in the U.S. Offer, Nokia will issue uncertificated Nokia Shares in respect of the Alcatel Lucent Shares or OCEANEs accepted for exchange in the U.S. Offer and, at your election, will deposit them into either (i) the same account in which you held your Alcatel Lucent Shares or OCEANEs or (ii) your personal book-entry account with a Finnish book-entry operator, into your account with a financial intermediary or your broker s, dealer s, commercial bank s, trust company s or other nominee s book-entry account with a Finnish book-entry operator or a financial intermediary. If you fail to make an election or if your election instruction is determined, in our sole discretion, deficient, your Nokia Shares will be deposited into the same account in which you held your Alcatel Lucent Shares or OCEANEs. You will be able to deposit these Nokia Shares with the custodian of the Nokia depositary for issuance of Nokia ADSs representing such Nokia Shares.

Under no circumstances will interest be paid on the exchange of Alcatel Lucent Securities, regardless of any delay in making the exchange or any extension of the Exchange Offer.

We expect that Nokia ADSs to be issued in connection with the Exchange Offer or the subsequent offering period, if any, will begin trading on the NYSE on a when-issued basis before the Completion of the Exchange Offer or the subsequent offering period, if any, and after the announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer) or the subsequent offering period, if any. When-issued trading of Nokia ADSs will continue until the Completion of the Exchange Offer or the completion of the subsequent offering period, if any. The when-issued trades of Nokia ADSs are expected to settle after issuance of the newly issued Nokia ADSs pursuant to the Exchange Offer or the subsequent offering period, as applicable.

Treatment of Fractional Nokia Shares or Nokia ADSs

No fractional Nokia Shares or Nokia ADSs will be issued by Nokia in the context of the Exchange Offer, including during the subsequent offering period. Holders of Alcatel Lucent Securities who tender in the Exchange Offer, including during the subsequent offering period, a number of Alcatel Lucent Securities which does not entitle them to a whole number of new Nokia Shares or Nokia ADSs, will be considered as having expressly agreed to participate in the mechanism to resell new fractional Nokia Shares or ADSs described below for the fractional Nokia Shares or Nokia ADSs to which they are entitled.

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Resale Mechanism for Nokia ADSs

Promptly after the Completion of the Exchange Offer or the completion of the subsequent offering period, if necessary, the U.S. exchange agent will aggregate all fractional entitlements to new Nokia ADSs in order to obtain a whole number of new Nokia ADSs (their number being rounded down to the next whole number of ADSs) and will sell them on the open market for the account of the applicable tendering holders of Alcatel Lucent Securities participating in this resale mechanism promptly after receipt of the applicable Nokia Shares from Nokia. The cash amount (with respect to Nokia ADSs, in U.S. dollars, rounded to the nearest U.S. cent, it being noted that 0.50 U.S. cents will be rounded to one U.S. cent) will be paid to the applicable tendering holders of Alcatel Lucent Securities as soon as possible following such date. The holders of Alcatel Lucent Securities who participate in this mechanism to resell fractional Nokia ADS entitlements will receive the net proceeds of sales pro rata to their participation in this mechanism, it being specified that Nokia will cover the broker fees as well as any other fees which may be related to the settlement of the resale mechanism.

Resale Mechanism for Nokia Shares

Promptly after the Completion of the Exchange Offer or the completion of the subsequent offering period, if necessary Euronext Paris will aggregate all fractional entitlements to new Nokia Shares (their number being rounded up to the highest unit) in order to obtain a whole number of new Nokia Shares and will transfer them to Société Générale who will sell them on the open market for the account of the applicable tendering holders of Alcatel Lucent Securities participating in this resale mechanism promptly and no later than ten French trading days following the Completion of the Exchange Offer or if necessary the completion of the subsequent offering period after receipt of the applicable Nokia Shares from Nokia. The cash amount (with respect to Nokia Shares, in U.S. dollars, rounded to the nearest U.S. cent, it being noted that 0.50 U.S. cents will be rounded to one U.S. cent) will be paid to the applicable tendering holders of Alcatel Lucent Securities as soon as possible following such date. The holders of Alcatel Lucent Securities who participate in this mechanism to resell fractional Nokia Share entitlements will receive the net proceeds of sales pro rata to their participation in this mechanism, it being specified that Nokia will cover the broker fees as well as any other fees which may be related to the setting up of this resale mechanism.

However, under no circumstances will any interest be paid on the cash amount to be received by a holder of Alcatel Lucent Securities in return for a fractional Nokia Share or Nokia ADS, even in the event of late payment of this amount.

At the end of any subsequent offering period, the same mechanism to resell fractional Nokia Shares or Nokia ADSs will be implemented in order to treat any fractional Nokia Shares or Nokia ADSs generated during the subsequent offering period.

Share Issuance and Power of Attorney

The Nokia Shares (including the Nokia Shares represented by Nokia ADSs) to be issued in the U.S. Offer will be created by means of an issuance of new ordinary shares of Nokia. In order to settle the Exchange Offer, it is contemplated that the general meeting of shareholders of Nokia will resolve to authorize the Nokia board of directors to issue new Nokia Shares in deviation from the shareholders pre-emptive rights as consideration to the holders of Alcatel Lucent Securities who have tendered their Alcatel Lucent Securities into the Exchange Offer, and that the Nokia board of directors will make a resolution to issue new Nokia Shares based on the authorization by the general meeting of shareholders (and register such issuance of new shares with the Finnish Trade Register on settlement). See Description of the Nokia Shares and Articles of Incorporation Shares and Share Capital of Nokia. This issuance of shares will be effected by way of contribution-in-kind of Alcatel

Lucent Securities by the U.S. exchange agent acting in its own name, but for the account of the shareholders who have validly tendered their Alcatel Lucent Securities in the U.S. Offer.

On the basis of a maximum total number of 3 725 654 475 Alcatel Lucent Shares outstanding as of October 29, 2015 and targeted by the Exchange Offer (including Alcatel Lucent Shares issuable upon the conversion of OCEANEs or the exercise of Stock Options and 472 058 361 Alcatel Lucent ADSs), if the participation in the Exchange Offer is 100%, a maximum number of 2 049 109 961 million Nokia Shares may be issued in the Exchange Offer. The exact number of Nokia Shares to be issued will depend on the number of Alcatel Lucent Securities tendered in the Exchange Offer and into any subsequent offering period, as applicable, and will be determined after the publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer).

The new Nokia Shares would be ordinary shares representing the share capital of Nokia, from the same category, entirely paid-up, with voting rights and without nominal value. They will have the same rights and benefits as all existing ordinary shares, including the right to any future dividend, as from the registration of the new shares in accordance with the Finnish Companies Act. The transferability of the Nokia Shares offered in the Exchange Offer for Alcatel Lucent Securities will not be limited by any provision of the Nokia Articles of Association, Finnish law or Nasdaq Helsinki and NYSE Euronext regulations.

For a more detailed description of the Nokia Shares refer to the section entitled Description of the Nokia Shares and Articles of Association Shares and Share Capital of Nokia.

If you tender your Alcatel Lucent ADSs in the U.S. Offer, you will be deemed to accept that, in connection with the share issuance described above, the U.S. exchange agent will undertake to contribute your Alcatel Lucent ADSs or the Alcatel Lucent ADSs in its own name, but for your account. In addition, by tendering the Alcatel Lucent ADSs you will authorize the U.S. exchange agent and, if applicable, the Alcatel Lucent depositary, to take the following actions for your account if the Exchange Offer is successful:

- Execute a subscription commitment and enter into a contribution-in-kind agreement with Nokia pursuant to which Nokia will issue to the U.S. exchange agent for your account 0.5500 Nokia Share in exchange of each Alcatel Lucent ADS you have validly tendered in, and not withdrawn from, the U.S. Offer; and

- Upon issuance of the Nokia Shares for your account: instruct (a) the U.S. exchange agent to deposit the Nokia Shares issued for your account with the custodian for the Nokia ADS program and (b) the Nokia depositary to issue and deliver Nokia ADSs representing the deposited shares to you or your nominee.

Representations and Covenants of Tendering Holders

Representations and Covenants of Tendering Holders of Alcatel Lucent ADSs

Upon tendering Alcatel Lucent ADSs in the U.S. Offer, a tendering holder of Alcatel Lucent ADSs is deemed to:

- instruct the U.S. exchange agent to accept the U.S. Offer on behalf of the tendering holder with respect to the Alcatel Lucent ADSs (which shall, except where the context otherwise requires, be deemed to include, without limitation, the Alcatel Lucent Shares represented thereby) delivered with the letter of transmittal;

- subject to, and effective upon, acceptance for payment for the Alcatel Lucent ADSs tendered with the letter of transmittal, in accordance with the terms of the U.S. Offer, sell, assign and transfer to, or upon the order of, Nokia all right, title and interest in and to all the Alcatel Lucent ADSs being tendered by the letter of transmittal (and any and all other Alcatel Lucent Shares or other securities issued or issuable in respect thereof) and all dividends, distributions (including, without limitation, distributions of additional Alcatel Lucent ADSs or Alcatel Lucent Shares) and rights declared, paid or distributed in respect of such Alcatel Lucent Shares or securities on or after the settlement date of the U.S. Offer (collectively, Distributions) and irrevocably appoints Citibank, N.A., as the U.S. exchange agent, the true and lawful agent and attorney-in-fact of the tendering holder, with full knowledge that the U.S. exchange agent is also acting as the agent of Nokia in connection with the U.S. Offer, with respect to such Alcatel Lucent ADSs and the Distributions, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest), (a) to deliver the Alcatel Lucent ADRs and any Distributions to the U.S. exchange agent or, if tender is by book-entry transfer, transfer Alcatel Lucent ADSs and any Distributions to the account of the U.S. exchange agent at DTC, together, in any such case, with all accompanying evidences of transfer and authenticity to the U.S. exchange agent or upon the order of the U.S. exchange agent, in each case, acting upon the instruction of Nokia, (b) to surrender such Alcatel Lucent ADSs for the purpose of withdrawal of the underlying Alcatel Lucent Shares in accordance with the Alcatel Lucent deposit agreement, (c) to instruct the Alcatel Lucent depositary to deliver the certificates evidencing the Alcatel Lucent Shares underlying the Alcatel Lucent ADSs, or transfer ownership of such Alcatel Lucent Shares underlying the Alcatel Lucent ADSs on the account books maintained with respect to the Alcatel Lucent Shares, together, in any such case, with all accompanying evidences of transfer and authenticity, to or upon the order of Nokia, (d) to combine the tendering holder s fractional entitlements to Nokia ADSs with other fractional entitlements and sell them on the NYSE or any other securities exchange, (e) to tender, or to cause to be tendered, the Alcatel Lucent Shares underlying the tendered Alcatel Lucent ADSs as part of the French centralizing procedures as soon as practicable after the Expiration Date, and (f) to receive all benefits and otherwise exercise all rights of beneficial ownership of such Alcatel Lucent ADSs (and all Alcatel Lucent Shares represented thereby) and any Distributions, all in accordance with the terms and conditions of the U.S. Offer. The tendering holder of Alcatel Lucent ADSs agrees that Nokia may instruct the U.S. exchange agent to take the actions specified in clauses (a), (b), (c) or (e) above prior to acceptance by Nokia of those Alcatel Lucent ADSs for exchange in the U.S. Offer. Nokia shall not have the rights specified in clauses (d) or (f) above until it has irrevocably accepted those Alcatel Lucent ADSs tendered in the U.S. Offer. Upon acceptance by Nokia of tendered Alcatel Lucent ADSs in the U.S. Offer, the tendering holder of Alcatel Lucent ADSs shall have no further rights with respect to those Alcatel Lucent ADSs, except that the holder shall have a right to receive from Nokia the Nokia ADSs subject to and in accordance with the terms and conditions of the U.S. Offer;

irrevocably appoint each designee of Nokia as the attorney-in-fact and proxy of the tendering holder, each with full power of substitution, to exercise all voting and other rights of the tendering holder in such manner as each such attorney and proxy or his substitute shall, in his sole discretion, deem proper and otherwise act (by written consent or otherwise), with respect to all of the Alcatel Lucent ADSs tendered (and any associated Distributions) that have been accepted for payment by Nokia prior to the time of any vote or other action (and any and all other Alcatel Lucent Shares or other securities or rights issued or issuable in respect of such Alcatel Lucent ADSs) at any meeting of securityholders of Alcatel Lucent (whether annual or special and whether or not an adjourned or postponed meeting), any actions by written consent in lieu of any such meeting or otherwise. This proxy and power of attorney is coupled with an interest in the tendered Alcatel Lucent ADSs, is irrevocable and is granted in consideration of, and is effective upon, the acceptance for payment of the Alcatel Lucent ADSs by Nokia in accordance with the terms and conditions of the U.S. Offer. Such acceptance for payment shall

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revoke any other proxy or written consent granted by the tendering holder at any time with respect to such Alcatel Lucent ADSs (and all such other Alcatel Lucent Shares or other securities or rights), and no subsequent proxies will be given or written consents will be executed by the tendering holder (and if given or executed, will not be deemed effective). The tendering holder understands that, in order for the Alcatel Lucent ADSs to be deemed validly tendered, immediately upon Nokia s acceptance of such Alcatel Lucent ADSs, Nokia or its designee must be able to exercise full voting, consent and other rights with respect to such Alcatel Lucent ADSs (and any associated distributions), including, the right to instruct the Alcatel Lucent depositary with respect to voting at any meeting of Alcatel Lucent s stockholders;

represent and warrant that it has full power and authority to accept the U.S. Offer and to tender, exchange, sell, assign and transfer the Alcatel Lucent ADSs (and any associated Distributions) tendered by the letter of transmittal (and any and all other Alcatel Lucent Shares or other securities or rights issued or issuable in respect of such Alcatel Lucent ADSs), and that when the same are accepted for payment by Nokia, Nokia will acquire good, marketable and unencumbered title thereto and to all Distributions, free and clear of all liens, restrictions, charges and encumbrances and not subject to any adverse claims;

represent and warrant that neither it nor any of its affiliates nor to its knowledge any of its or any affiliate s directors, administrators, officers, board of directors (supervisory and management), members or employees are currently the subject or target of any sanctions such that any transaction contemplated by the Exchange Offer would violate any sanctions administered or enforced by the U.S. government (including, without limitation, the Office of Foreign Assets Control of the U.S. Treasury Department or the U.S. Department of State and including, without limitation, the designation as a specially designated national or blocked person), the United Nations Security Council, the European Union, Her Majesty s Treasury, or other relevant sanctions authority (collectively, Sanctions), and that neither it nor any of its affiliates are located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria; and

agree to, upon request, execute and deliver all additional documents deemed by the U.S. exchange agent or Nokia to be necessary or desirable to complete the sale, assignment and transfer of the Alcatel Lucent ADSs (and any associated Distributions) tendered hereby (and any and all other Alcatel Lucent Shares or other securities or rights issued or issuable in respect of such Alcatel Lucent ADSs).

All authority conferred or agreed to be conferred pursuant to these representations and covenants shall not be affected by, and shall survive, the death or incapacity of and any obligation of the tendering holder shall be binding upon the heirs, personal representatives, successors and assigns of the tendering holder.

Representations and Covenants of Tendering Holders of Alcatel Lucent Shares and OCEANEs

Upon tendering the Alcatel Lucent Shares or OCEANEs in the U.S. Offer, the tendering holder of such Alcatel Lucent Shares or OCEANEs is deemed to:

on the terms and subject to the conditions of the U.S. Offer (including, if the U.S. Offer is extended or amended, the terms and conditions of such extension or amendment), and subject to, and effective upon, acceptance for exchange of, and exchange for, the Alcatel Lucent Shares and OCEANEs tendered in accordance with the terms of the U.S. Offer, sell, assign and transfer to, or upon the order of, Nokia, all right, title and interest in and to all of the Alcatel Lucent Shares and OCEANEs being tendered and any and all dividends, distributions (including, without limitation, distributions of additional Alcatel Lucent Shares or OCEANEs), rights or other securities issued or issuable in respect of such Alcatel Lucent Shares and OCEANEs on or after the completion of the U.S. Offer, and appoints Nokia the

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true and lawful agent and attorney-in-fact of such holder with respect to such Alcatel Lucent Shares and OCEANEs (and any Distributions) with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest) to the fullest extent of such holder s rights with respect to such Alcatel Lucent Shares and OCEANEs (and any Distributions) (a) to transfer ownership of such Alcatel Lucent Shares and OCEANEs (and any Distributions) on the account books of Alcatel Lucent, together in either such case with all accompanying evidences of transfer and authenticity, to or upon the order of Nokia, (b) to present such Alcatel Lucent Shares and OCEANEs (and any Distributions) for transfer on the books of Alcatel Lucent and (c) to receive all benefits and otherwise exercise all rights of beneficial ownership of such Alcatel Lucent Shares and OCEANEs (and any Distributions), all in accordance with the terms and the conditions of the U.S. Offer. The tendering holder is deemed to instruct the financial intermediary to tender, or to cause to be tendered, the Alcatel Lucent Shares and OCEANEs as part of the French centralizing procedures;

irrevocably appoint the designees of Nokia, and each of them, the attorneys-in-fact and proxies, each with full power of substitution, to the full extent of such holder s rights with respect to the Alcatel Lucent Shares and OCEANEs tendered which have been accepted for exchange by Nokia and with respect to any Distributions. Subject to applicable law, the designees of Nokia will, with respect to the Alcatel Lucent Shares and OCEANEs (and any associated Distributions) for which the appointment is effective, be empowered to exercise all voting, consent and any other similar rights of such holder, as they, in their sole discretion, may deem proper at any ordinary, extraordinary or adjourned meeting of Alcatel Lucent s shareholders or bondholders, by written consent in lieu of any such meeting or otherwise. This proxy and power of attorney shall be irrevocable and coupled with an interest in the tendered Alcatel Lucent Shares and OCEANEs. Such appointment is effective upon the acceptance by Nokia of the Alcatel Lucent Shares and OCEANEs tendered. If the U.S. Offer is successful, Nokia will be deemed to have accepted for exchange Alcatel Lucent Shares and OCEANEs validly tendered and not withdrawn on the Expiration Date, as set forth in the final results of the French Offer (taking into account the results of the U.S. Offer) published by the AMF. Upon the effectiveness of such appointment, without further action, all prior powers of attorney, proxies and consents given with respect to such Alcatel Lucent Shares and OCEANEs (and any associated Distributions) will be revoked, and no subsequent powers of attorney, proxies, consents or revocations may be given (and, if given, will not be deemed effective). Nokia reserves the right to require that, in order for Alcatel Lucent Shares and OCEANEs to be deemed validly tendered, immediately upon Nokia s exchange of such Alcatel Lucent Shares and OCEANEs, subject to applicable law, Nokia must be able to exercise full voting or consent rights with respect to such Alcatel Lucent Shares and OCEANEs (and any associated Distributions), including voting at any meeting of shareholders or bondholders;

represent and warrant that the tendering holder has full power and authority to tender, sell, assign and transfer the Alcatel Lucent Shares and OCEANEs (and any Distributions) and, when the same are accepted for exchange by Nokia, Nokia will acquire good, marketable and unencumbered title thereto, free and clear of all liens, restrictions, charges and encumbrances, and the same will not be subject to any adverse claim. The tendering holder will be deemed to agree to, upon request, execute and deliver any additional documents deemed by the financial intermediary or Nokia to be necessary or desirable to complete the sale, assignment and transfer of the Alcatel Lucent Shares and OCEANEs (and any Distributions) tendered. In addition, the tendering holder will be deemed to agree to promptly remit and transfer to the financial intermediary for the account of Nokia any and all Distributions in respect of the Alcatel Lucent Shares and OCEANEs tendered, accompanied by appropriate documentation of transfer; and, pending such remittance or appropriate assurance thereof, Nokia shall be entitled to all rights and privileges as owner of any such

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Distributions and may withhold the entire consideration offered pursuant to the Exchange Offer or deduct from such consideration offered the amount or value thereof, as determined by Nokia in its sole discretion; and

represent and warrant that neither it nor any of its affiliates nor to its knowledge any of its or any affiliate s directors, administrators, officers, board of directors (supervisory and management), members or employees are currently the subject or target of any Sanctions such that any transaction contemplated by the Exchange Offer would violate any Sanctions, and that neither it nor any of its affiliates are located, organized or resident in a country or territory that is the subject or the target of Sanctions, including, without limitation, Crimea, Cuba, Iran, North Korea, Sudan and Syria.

All authority conferred or agreed to be conferred pursuant to these representations and covenants shall not be affected by, and shall survive, the death or incapacity of and any obligation of the tendering holder shall be binding upon the heirs, personal representatives, successors and assigns of the tendering holder.

Certain Consequences of the Exchange Offer

After a successful Completion of the Exchange Offer, Nokia is expected to own between 50% and 100% of Alcatel Lucent. As a result, Nokia will be in a position to exert influence over the strategic, operating and financial policies of Alcatel Lucent. If the squeeze-out is implemented, Nokia s ownership of Alcatel Lucent would increase to 100% and Nokia would be entitled to all benefits resulting from that ownership, including all income generated by Alcatel Lucent s operations and any future increase in Alcatel Lucent s value and the right to elect all members of the Alcatel Lucent board of directors. Similarly, Nokia would also bear the risk of losses generated by Alcatel Lucent s operations and any decrease in the value of Alcatel Lucent after such an acquisition.

Trading in Alcatel Lucent Securities During and After the Exchange Offer Period

During the Exchange Offer period, Alcatel Lucent Shares and OCEANEs not validly tendered into the Exchange Offer will continue to trade on Euronext Paris and Alcatel Lucent ADSs not validly tendered into the U.S. Offer will continue to trade on the NYSE.

On opening of the first U.S. business day following the ADS Tender Deadline, the NYSE may suspend trading in the Alcatel Lucent ADSs pending public announcement of the results of the Exchange Offer. Because the results of the Exchange Offer may not be announced until up to nine French trading days after the Expiration Date (although we expect the announcement to be made approximately four to five French trading days after the Expiration Date), holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the Exchange Offer may be unable to trade Alcatel Lucent ADSs on the NYSE during this period.

Trading in Alcatel Lucent Shares, Alcatel Lucent ADSs and OCEANEs may continue on Euronext Paris and the NYSE, as applicable, after the Completion of the Exchange Offer, depending on the number of such Alcatel Lucent Securities not acquired in the Exchange Offer. However, following the Completion of the Exchange Offer and depending on the number of remaining Alcatel Lucent Shares outstanding, Nokia intends, subject to applicable law and securities exchange regulations, to (i) request from Euronext Paris the delisting of the Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris and (ii) seek to delist the Alcatel Lucent ADSs from the NYSE (as discussed below in this section under Reduced Liquidity of Alcatel Lucent Securities).

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Listings of the Nokia Shares

Nokia has applied for the Nokia Shares (including the Nokia Shares to be issued in connection with the Exchange Offer) to be admitted for listing to Euronext Paris. Nokia expects that Admission will take effect prior to the completion of the Exchange Offer. Nokia will apply for a listing of the Nokia Shares and Nokia ADSs to be issued in connection with the Exchange Offer on the Nasdaq Helsinki and the NYSE, respectively. We expect that Nokia ADSs to be issued in connection with the Exchange Offer or the subsequent offering period, if any, will begin trading on the NYSE on a when-issued basis before the Completion of the Exchange Offer or the completion of the subsequent offering period, if any and after the announcement of the results of the French Offer by the AMF (taking into account the results of the U.S. Offer) or the results of the subsequent offering period, if any.

Reduced Liquidity of Alcatel Lucent Securities

As promptly as practicable after Completion of the Exchange Offer, or if applicable, after the completion of the subsequent offering period, Nokia intends, (i) subject to applicable law and securities exchange regulations, to request from Euronext Paris the delisting of the Alcatel Lucent Shares and OCEANEs from the regulated market of Euronext Paris and (ii) seek to delist the Alcatel Lucent ADSs from the NYSE and, subject to applicable law, to deregister the Alcatel Lucent Shares and Alcatel Lucent ADSs under the Exchange Act.

A delisting from Euronext Paris may occur in accordance with the Euronext Paris rules, following a simplified public tender offer, if (i) Nokia holds at least 90% of the voting rights of Alcatel Lucent as of the filing date of the delisting application, (ii) the total value traded on Alcatel Lucent Shares over the last twelve (calendar) months before the filing of the delisting application represents less than 0.5% of Alcatel Lucent s market capitalization, (iii) the filing of the application is made after a delay of 180 (calendar) days has elapsed between the Exchange Offer and the simplified public tender offer, (iv) Nokia undertakes, for a period of three months following the end of the delisting offer, to acquire at the same price as such simplified public tender offer the Alcatel Lucent Shares of remaining shareholders who have not tendered them into such offer, and (v) Nokia undertakes for a transitional period of one financial year following the year when delisting takes place to publish any crossing up above or below the 95% threshold of the share capital or voting rights of Alcatel Lucent, and to submit no proposal to the general meeting of Alcatel Lucent s shareholders to amend the corporate form to become a simplified joint stock company (*société par actions simplifiée*).

Pursuant to Articles 6905/1 *et. seq.* of the Euronext Rule Book, Euronext Paris may delist shares listed on its markets upon a written request of the issuer, which must indicate the reasons of such request. Euronext Paris may decide not to proceed with the delisting of the shares as requested by the issuer if such a delisting affects the equitable, organized and efficient functioning of the market. Euronext Paris may also subject the delisting of the Alcatel Lucent Shares to any additional conditions which it deems appropriate.

If any of these delistings or the deregistration were to occur, there may be no publicly traded Alcatel Lucent Shares, OCEANEs or Alcatel Lucent ADSs, which would likely reduce their respective liquidity and market value. Even if such delistings or the deregistration do not occur, the Exchange Offer will reduce the number of Alcatel Lucent Shares, OCEANEs and Alcatel Lucent ADSs that might otherwise trade publicly and will reduce the number of holders of Alcatel Lucent Shares, OCEANEs and Alcatel Lucent ADSs which could, in turn, also adversely affect the liquidity and market value of the Alcatel Lucent Shares, OCEANEs and Alcatel Lucent ADSs not acquired in the Exchange Offer.

On opening of the first U.S. business day following the ADS Tender Deadline, the NYSE may suspend trading in the Alcatel Lucent ADSs pending public announcement of the results of the Exchange Offer. Because the AMF may not announce the results of the French Offer (taking into account the results of the U.S. Offer) until up to nine French trading days after the Expiration Date (although we expect the announcement to be made approximately four to five French trading days after the Expiration Date), holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the U.S. Offer may be unable to trade Alcatel Lucent ADSs on the NYSE during this period. Further, if fewer than 600 000 Alcatel Lucent ADSs remain outstanding following Completion of the Exchange Offer, the NYSE may not resume trading in the Alcatel Lucent ADSs after the publication of the results of the Exchange Offer. Accordingly, holders of Alcatel Lucent ADSs who do not tender their Alcatel Lucent ADSs in the U.S. Offer may be unable to trade their Alcatel Lucent ADSs on the NYSE at any point following the ADS Tender Deadline. As of June 30, 2015, there were 499 863 626 Alcatel Lucent ADSs outstanding.

Quotations of the Alcatel Lucent Securities might still be available from another source. The extent of the market for the Alcatel Lucent Securities and the availability of such quotations would, however, depend upon the number of holders of these securities remaining at such time, the interest in maintaining a market in the Alcatel Lucent Securities on the part of securities firms and other factors.

Termination of the Alcatel Lucent Deposit Agreement

As promptly as practicable after Completion of the Exchange Offer or the completion of the subsequent offering period, if any, Nokia intends, subject to applicable law, to cause Alcatel Lucent to terminate the Alcatel Lucent deposit agreement. Following such termination, the Alcatel Lucent depositary would perform no further acts under the Alcatel Lucent deposit agreement, except to receive and hold (or sell) distributions on the deposited securities and deliver the deposited securities being withdrawn.

Following the termination of the deposit agreement, the Alcatel Lucent depositary may do either of the following:

- instruct its custodian to register all Alcatel Lucent Shares underlying the remaining Alcatel Lucent ADSs with Alcatel Lucent in registered form (*nominatif pur*) and provide Alcatel Lucent with a copy of the ADR register. Upon receipt of such instructions, Alcatel Lucent would register in registered form (*nominatif pur*) the Alcatel Lucent Shares represented by the Alcatel Lucent ADSs reflected on the register in each such holder s name; or

- sell Alcatel Lucent Shares underlying the remaining Alcatel Lucent ADSs and (as long as it may lawfully do so) would hold in a segregated account the net proceeds of such sales, together with any other cash then held by it under the Alcatel Lucent deposit agreement, without liability for interest, in trust for the pro rata benefit of the holders of Alcatel Lucent ADSs not theretofore surrendered.

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Dilutive Effect on Nokia Shareholders

The following table presents the 10 largest shareholders of Nokia that are registered in Finland and appear on Nokia s shareholder register maintained by Euroclear Finland Ltd. and their share of voting rights as at September 28, 2015. Each Nokia Share carries one vote. As of September 28, 2015, Nokia and its subsidiaries held 53 402 251 Nokia Shares, which comprise 1.45% of the total number of Nokia Shares but do not confer any voting rights due to their ownership by Nokia or its subsidiaries. Nokia Shares held by Nokia or its subsidiaries have been listed under Treasury shares in the table.

Shareholder	Number of Shares	% of the total number of shares	% of voting rights(1)
1. Varma Mutual Pension Insurance Company	80 722 106	2.19	2.23
2. Ilmarinen Mutual Pension Insurance Company	28 893 982	0.79	0.80
3. The State Pension Fund	25 600 000	0.70	0.71
4. Schweizerische Nationalbank	24 132 730	0.66	0.67
5. Elo Mutual Pension Insurance Company	15 200 000	0.41	0.42
6. Svenska Litteratursällskapet i Finland rf	14 312 880	0.39	0.39
7. Nordea Bank Finland Plc	11 536 309	0.31	0.31
8. Folketrygdfondet	11 352 542	0.31	0.31
9. Nordea Suomi Fund	10 854 000	0.30	0.30
10. Keva (Local Government Pensions Institution)	10 004 071	0.27	0.28
Treasury shares	53 232 002	1.45	0.00
Others	3 392 801 269	92.27	93.64
Total	**3 678 641 891**	**100**	**100**

(1) Treasury shares are not included in calculating voting rights.

Pursuant to the notification of Nokia under Chapter 9, Section 10 of the Finnish Securities Market Act on October 24, 2014, the holdings of BlackRock, Inc. in Nokia, through its controlled undertakings, comprising of both shares and convertible bonds issued by Nokia, amounted to a total of 187 784 314 shares, which at that time corresponded to approximately 5.01% of issued and outstanding shares and voting rights of Nokia. To Nokia s knowledge, no other shareholder holds more than 5% of issued and outstanding shares or voting rights of Nokia.

Nokia is not aware of any shareholder having a controlling interest, as referred to in Chapter 2, Section 4 of the Finnish Securities Market Act, in the Company.

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Following the Completion of the Exchange Offer, if Nokia owns 100% of Alcatel Lucent Securities, the breakdown of the total number of shares and voting rights of Nokia would be as follows (based on the breakdown of the total number of Nokia Shares on October 20, 2015):

Shareholder	Number of Shares(1)	% of the total number of shares	% of voting rights(2)
1. Varma Mutual Pension Insurance Company	80 722 106(3)	1.41	1.43
2. Ilmarinen Mutual Pension Insurance Company	28 893 982(3)	0.50	0.51
3. The State Pension Fund	25 600 000(3)	0.45	0.45
4. Schweizerische Nationalbank	24 132 730(3)	0.42	0.43
5. Elo Mutual Pension Insurance Company	15 200 000(3)	0.27	0.27
6. Svenska Litteratursällskapet i Finland rf	14 312 880(3)	0.25	0.25
7. Nordea Bank Finland Plc	11 536 309(3)	0.20	0.20
8. Folketrygdfondet	11 352 542(3)	0.20	0.20
9. Nordea Suomi Fund	10 854 000(3)	0.19	0.19
10. Keva (Local Government Pensions Institution)	10 004 071(3)	0.17	0.18
Treasury shares	75 296 088(4)	1.32	0.00
Others	5 414 747 207	94.62	95.88
Total	**5 727 751 852(4)**	**100**	**100**

(1) In the calculation of the total number of Nokia Shares after the Exchange Offer, it has been assumed that all the existing and outstanding shares (including Alcatel Lucent Shares issuable upon conversion of OCEANEs or exercise of Alcatel Lucent Stock Options) concerned by the Exchange Offer as of October 29, 2015 would be tendered into the Exchange Offer (namely 3 725 654 475 Alcatel Lucent Shares).

(2) Treasury shares are not included in the calculation of voting rights. Refer also to footnote 4.

(3) Excluding any Nokia Shares receivable in the Exchange Offer by the shareholder in consideration for the shareholder s Alcatel Lucent Securities, if any.

(4) In the calculation of the treasury shares, it has been assumed that i) the number of treasury shares held by Nokia is 53 232 002 (as of October 20, 2015) and that ii) Alcatel Lucent will tender its 40 116 521 treasury shares (as of June 30, 2015) to Nokia in the Exchange Offer, and will receive in consideration 22 064 086 Nokia Shares, resulting in a total of 75 296 088 Nokia Shares being held by Nokia or Nokia s subsidiary, Alcatel Lucent, as treasury shares.

The information set out in the foregoing table has been prepared for illustrative purposes only and may or may not reflect the actual situation at or after the Completion of the Exchange Offer.

Pursuant to the notification of Nokia under Chapter 9, Section 10 of the Finnish Securities Market Act on October 24, 2014, the holdings of BlackRock, Inc., amounting to a total of 187 784 314 shares on October 24, 2014, would correspond to approximately 3.33% of the issued and outstanding shares and 3.28% of the voting rights of Nokia (based on the breakdown of the total number of Nokia Shares on October 20, 2015), excluding any Nokia Shares receivable by Blackrock Inc. in the Exchange Offer in consideration for the Alcatel Lucent Securities held by Blackrock Inc.

Following the Exchange Offer, if Nokia owns 100% of the Alcatel Lucent Securities and based on the number of shares outstanding on December 31, 2014:

former holders of Alcatel Lucent Securities are expected to own approximately 33.5% of the issued and outstanding Nokia Shares on a fully diluted basis;

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a shareholder of Alcatel Lucent who held 1% of the share capital of Alcatel Lucent prior to the Exchange Offer would hold 0.27% of the issued and outstanding Nokia Shares (including treasury shares) and 0.28% of the voting rights (excluding treasury shares) of Nokia;

a shareholder of Nokia who held 1% of the issued and outstanding Nokia Shares (including treasury shares) prior to the Exchange Offer would hold 0.64% of the issued and outstanding Nokia Shares (including treasury shares) and 0.65% of the voting rights (excluding treasury shares) of Nokia.

Status as Margin Securities

The Alcatel Lucent Shares and Alcatel Lucent ADSs are currently margin securities , as such term is defined under the rules of the Board of Governors of the Federal Reserve System (the Federal Reserve Board), which has the effect, among other things, of allowing brokers to extend credit on the collateral of these securities. Following Completion of the Exchange Offer, Nokia intends to seek to delist the Alcatel Lucent ADSs from the NYSE. This delisting would cause the Alcatel Lucent Shares and Alcatel Lucent ADSs to cease being margin securities for the purposes of the margin regulations of the Federal Reserve Board, in which event these securities could no longer be used as collateral for loans made by brokers.

Accounting Treatment

Nokia prepares its consolidated financial statements in accordance with IFRS. The acquisition of Alcatel Lucent is expected to be accounted for as a business combination using the acquisition method of accounting under IFRS with Nokia considered as the acquirer. This means that Nokia will allocate the purchase consideration to the fair value of Alcatel Lucent s identifiable assets and assumed liabilities at the acquisition date, with any excess of the purchase consideration over the net identifiable net assets acquired be recognized as goodwill. Under IFRS, goodwill is not amortized but is tested for impairment at least annually.

No Appraisal Rights

There are no appraisal or similar rights available to holders of Alcatel Lucent Securities in connection with the Exchange Offer.

Fees and Expenses

Nokia retained Société Générale as presenting bank (*banque présentatrice*) for the French Offer and Nokia s financial advisor in connection with the Exchange Offer, and certain of its affiliates have in the past provided, and may in the future provide, financial advisory or financing services to Nokia and its affiliates and have received, and may receive in the future, fees for rendering these services. Nokia will pay the presenting bank reasonable and customary compensation for its services in addition to reimbursing the presenting bank for its reasonable out-of-pocket expenses.

Nokia retained Citibank, N.A. to act as the U.S. exchange agent to receive and hold Alcatel Lucent ADSs validly tendered into, and not withdrawn from, the U.S. Offer, for the benefit of Nokia. Nokia will pay the U.S. exchange agent reasonable and customary compensation for its services in connection with the U.S. Offer, will reimburse the U.S. exchange agent for its reasonable out-of-pocket expenses and will indemnify the U.S. exchange agent against certain liabilities and expenses.

Nokia retained Georgeson Inc. as information agent in the United States in connection with the Exchange Offer. The information agent may contact holders of Alcatel Lucent Securities by mail, telephone or other means and may request that brokers, dealers, commercial banks, trust companies and other nominees who hold Alcatel Lucent Securities on behalf of beneficial owners of these Alcatel Lucent Securities, forward material relating to the Exchange Offer to such beneficial owners. Nokia will pay the information agent reasonable and customary compensation for these services in addition to reimbursing the information agent for its reasonable out-of-pocket expenses. Nokia has agreed to indemnify the information agent against certain liabilities and expenses in connection with the Exchange Offer, including certain liabilities under the U.S. federal securities laws.

Nokia retained Nordea Bank as Finnish issuer agent for issuing Nokia Shares in the Finnish book-entry system. Nokia will pay the issuer agent reasonable and customary compensation for its services in addition to reimbursing Nordea s reasonable out-of-pocket expense.

Nokia retained JP Morgan as its financial advisor. For its role as Nokia s financial advisor, Nokia will pay JP Morgan a reasonable and customary compensation in addition to reimbursing JP Morgan s reasonable out-of-pocket expenses.

Nokia retained Brunswick as an advisor for the announcement and execution of the transaction, receiving assistance in the creation and distribution of communications materials to institutional and individual shareholders, and external audiences including the media and public sector. Nokia will pay Brunswick reasonable and customary compensation for these services in addition to reimbursing Brunswick for its reasonable out-of-pocket expenses.

The total fees and expenses incurred by Nokia and its affiliates in connection with the Exchange Offer and listing of the Nokia Shares on Euronext Paris and listing of the newly issued Nokia Shares and Nokia ADSs on Nasdaq Helsinki and the NYSE, respectively, including fees and other costs related to external financial and legal advisors and of any other experts and consultants, as well as communication costs, are estimated to be, in excess of EUR 110 million (excluding tax). Nokia has agreed that the remuneration of some of the above mentioned banks and advisors is success based. The total amount of such success fees is approximately EUR 12.5 million.

Statutory Exemption from Certain U.S. Tender Offer Requirements

The Exchange Offer qualifies as a Tier II offer in accordance with Rule 14d-1(d) under the Exchange Act and is, as a result, exempt from certain provisions of otherwise applicable U.S. statutes and rules relating to tender offers. In separating our offers into the U.S. Offer and the French Offer we are relying on the Tier II exemption from Rule 14d-10 under the Exchange Act. In addition, we intend to rely on the Tier II exemption from Rule 14d-11(c) and Rule 14d-11(d) on the conditions for the provision of a subsequent offering period, Rule 14e-1(c) on prompt payment and Rule 14e-1(d) on the procedures for giving notices of any extensions of the length of the tender offer, where we will follow French law and practice.

We may rely on other Tier II exemptions and may need to request additional relief from the SEC if the implementation of the French tender offer law and practice is inconsistent with the U.S. tender offer rules and practice. If we are unable to obtain such additional relief, we may have to amend the U.S. Offer to the extent we are permitted to do so as a matter of French law and regulations. While we do not anticipate that any amendment will be required that would be prohibited by French law, if such conflict arises we may be unable to complete the Exchange Offer.

Matters Relevant for OCEANEs Holders

On July 3, 2013, Alcatel Lucent issued 349 414 670 of the 2018 OCEANEs. The terms and conditions of the 2018 OCEANEs are set out in the securities note that is included in the prospectus that received the visa No. 13-305 of the AMF on June 26, 2013, established for the issuance of the 2018 OCEANEs. The 2018 OCEANEs, which have a par value of EUR 1.80, with an annual interest rate of 4.25%, and with a maturity date of July 1, 2018, are convertible/exchangeable at any time after August 12, 2013, and give right to 1.06 new or existing Alcatel Lucent Shares for every 2018 OCEANE (after adjustment of the conversion/exchange ratio following the share capital increase of December 9, 2013), subject to the adjustments provided for by the prospectus and pursuant to the conditions of the said prospectus. As of October 29, 2015, 349 413 670 2018 OCEANEs were outstanding.

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On June 10, 2014, Alcatel Lucent issued 167 500 000 of the 2019 OCEANEs. The terms and conditions of the 2019 OCEANEs are set out in the securities note that is included in the prospectus that received the visa No. 14-254 of the AMF on June 2, 2014, established for the issuance of the 2019 OCEANEs and the 2020 OCEANEs. The 2019 OCEANEs, which have a par value of EUR 4.11, with an annual interest rate of 0%, and with a maturity date of January 30, 2019, are convertible/exchangeable at any time after July 20, 2014, and give right to one new or existing Alcatel Lucent Share for every 2019 OCEANE, subject to the adjustments provided for by the prospectus and pursuant to the conditions of the said prospectus. As of October 29, 2015, 167 500 000 2019 OCEANEs were outstanding.

On June 10, 2014, Alcatel Lucent issued 114 499 995 of the 2020 OCEANEs. The terms and conditions of the 2020 OCEANEs are set out in the securities note, which is included in the prospectus that received the visa No. 14-254 of the AMF on June 2, 2014, established for the issuance of the 2019 OCEANEs and 2020 OCEANEs. The 2020 OCEANEs, which have a par value of EUR 4.02, with an annual interest rate of 0.125%, and with a maturity date of January 30, 2020, are convertible/exchangeable at any time after July 20, 2014, and give right to one new or existing Alcatel Lucent Share for every 2020 OCEANE, subject to the adjustments provided for by the prospectus and pursuant to the conditions of the said prospectus. As of October 29, 2015, 114 499 995 2020 OCEANEs were outstanding.

Conversion/Exchange of OCEANE Bonds in the Event of a Tender Offer

Under the terms of each of the OCEANEs, since the Exchange Offer may lead to a Change of Control (as defined below) of Alcatel Lucent, the opening of the Exchange Offer resulted in adjustment of the conversion/exchange ratio for the duration of the Adjustment Period (as defined below) in accordance with the following formula:

NCER = CER x (1 + OCEANE Issue Premium x (D/DT))

where:

NCER means the OCEANEs new conversion/exchange ratio applicable during the Adjustment Period;

CER means the conversion/exchange ratio in effect before the Exchange Offer opening date, such conversion/exchange ratio being 1.06 Alcatel Lucent Share for every 2018 OCEANE, one Alcatel Lucent Share for every 2019 OCEANE, and one Alcatel Lucent Share for every 2020 OCEANE;

OCEANE Issue Premium means the premium, expressed as a percentage, determined by comparing the par value per unit of the OCEANEs to the reference price of the Alcatel Lucent s Shares used at the time the final terms of the OCEANEs were determined, such premium being 36.8% for the 2018 OCEANEs, 40.2% for the 2019 OCEANEs and 37.1% for the 2020 OCEANEs;

D means the number of days between the Exchange Offer opening date (inclusive) and the OCEANE maturity date (excluded), with the maturity date being July 1, 2018 for the 2018 OCEANEs, January 30, 2019 for the 2019 OCEANEs and January 30, 2020 for the 2020 OCEANEs; and

DT means the number of days between the issuance date of the OCEANEs (inclusive) (such date being July 3, 2013 for the 2018 OCEANEs and June 10, 2014 for the 2019 OCEANEs and 2020 OCEANEs) and the maturity date of the OCEANEs (exclusive) (such number of days being 1 824 days for the 2018 OCEANEs, 1 695 days for the 2019 OCEANEs and 2 060 days for the 2020 OCEANEs).

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As a result of the Exchange Offer, the adjusted conversion/exchange ratios (or the NCERs) are 1.26 for the 2018 OCEANEs, 1.28 for the 2019 OCEANEs and 1.28 for the 2020 OCEANEs based on an opening date of the Exchange Offer of November 18, 2015, as described in Financial Analysis of the Exchange Offer Valuation criteria of the Exchange Offer Assessment of the Exchange Offer price for the OCEANEs Takeover conversion value .

The adjustment of the conversion/exchange ratio discussed above will, pursuant to the terms of the respective securities notes of the OCEANEs, benefit only those holders of OCEANEs who will exercise their conversion/exchange right, between (and including):

(a) the opening date of the Exchange Offer (which is expected to be November 18, 2015), and

(b) (i) (x) if the AMF declares that the French Offer is successful, the date that is 15 French business days after the publication by the AMF of the results of the French Offer (taking into account the results of the U.S. Offer), which is currently expected to be four to five and in no event later than nine French trading days after the expiration of the French Offer, or, if there is a subsequent offering period, the date that is 15 French business days after the end of the subsequent offering period of the French Offer, or (y) if the AMF declares that the French Offer (taking into account the results of the U.S. Offer) is unsuccessful, the date of publication by the AMF of the results of the French Offer; or

(ii) if Nokia withdraws the Exchange Offer, the date on which such withdrawal is published.

This period is referred to as the Adjustment Period.

For the purpose of the OCEANEs, the term Change of Control means acquisition by one or more individual(s) or legal entity or entities, acting alone or in concert, of the control of Alcatel Lucent, with control meaning the holding (directly or indirectly through the intermediary of companies themselves controlled by the individual(s) or entity or entities concerned) (x) the majority of voting rights attached to the Alcatel Lucent Shares or (y) more than 40% of these voting rights if no other Alcatel Lucent shareholder, acting alone or in concert, holds (directly or indirectly through the intermediary of companies controlled by this or these shareholders) a higher percentage of voting rights.

In the event of the conversion/exchange of the OCEANEs during the Adjustment Period, the corresponding Alcatel Lucent Shares will be delivered within a maximum of three French business days of the OCEANEs conversion/exchange request date.

In the event of an adjustment, Alcatel Lucent is obligated to notify the holders of OCEANEs of such adjustment, at the latest within five French business days following the entry into force of the new adjustment, by means of a notice published in a financial newspaper with general distribution in France. Such adjustment shall also be subject to a notice issued by Euronext Paris with the same details.

Early Redemption in the Event of a Change of Control

In the case of the occurrence of a Change of Control (as would be the case if the Exchange Offer is successful), any holder of OCEANEs may, at its option, request the early redemption in cash the OCEANEs owned by such holder at par plus, as applicable, accrued interest from the last interest payment date for each series of the OCEANEs until the early redemption date, pursuant to the terms of the prospectus relating to the issue of such OCEANEs.

The price of such early repayment would be EUR 1.81 for the 2018 OCEANEs, EUR 4.11 for the 2019 OCEANEs and EUR 4.02 for the 2020 OCEANEs, based on assumed early repayment date of March 1, 2016, and assuming a period of up to 30 calendar days after the Expiration Date for Alcatel Lucent to publish a notification of the change of control and then additionally up to 25 to 30 French business days to proceed with the early repayment, as described in Financial Analysis of the Exchange Offer Valuation Criteria for the Exchange Offer Assessment of the Exchange Offer Price for the OCEANEs Early repayment value for the OCEANEs of this exchange offer/prospectus.

If the Exchange Offer is successful, Alcatel Lucent is expected to inform the holders of OCEANEs of any Change of Control by means of a notice distributed by Alcatel Lucent and posted on its website (*www.alcatel-lucent.com*) as well as in a notice to be issued by Euronext Paris at the latest within 30 calendar days following the effective Change of Control. These notices are expected to remind the holders of OCEANEs that they have the right to request the early redemption of their OCEANEs and to indicate (i) the early redemption date which would be between the 25th and the 30th French business day following the distribution date of the notice by Alcatel Lucent, (ii) the redemption amount and (iii) the period, of at least 15 French business days following the distribution date of the notice by Alcatel Lucent, during which the early redemption requests for the OCEANEs must be received by the centralizing agent.

To obtain early redemption of the OCEANEs, holders of OCEANEs must file a request with the financial intermediary holding their OCEANEs in a securities account. Any such demand may not be revoked once it is received by the relevant financial intermediary.

Requests for early redemption and the corresponding OCEANEs must be received by the centralizing agent no later than the fifth French business day before the early redemption date.

In such case, the OCEANEs, where an early redemption was requested, will be redeemed at a price equal to par plus, and regarding the 2018 OCEANEs and 2020 OCEANEs, accrued interests from the date the interest was last paid preceding the date of early redemption, to the date set for the early redemption.

Early Redemption in the Event of Delisting of the Alcatel Lucent Shares

Pursuant to the terms of the securities notes relating to the issue of each of the OCEANEs, the representative of the body (*Masse*) of the OCEANEs (*Représentant de la Masse*) may, upon decision of the general meeting of the holders of OCEANEs of one series (of that series Nokia will not vote with regard to OCEANEs if it holds more than 10% of the relevant series of OCEANEs), acting under conditions of quorum and majority provided for by law, by written notice sent to Alcatel Lucent, with a copy to the centralizing agent, request the early redemption of such series of the OCEANEs redeemable at a price equal to par plus, regarding the 2018 OCEANEs and the 2020 OCEANEs, accrued interests from the last interest payment date for each of the OCEANEs until the early redemption date, if (i) Alcatel Lucent s Shares cease to be listed on Euronext Paris and are not listed on any other regulated market within the European Union and (ii) the Alcatel Lucent ADSs or Alcatel Lucent Shares cease to be listed on a regulated market in the United States.

As a consequence, such early redemption right may be triggered in connection with the Exchange Offer in the event of implementation of a squeeze-out for Alcatel Lucent Shares, or of delisting of Alcatel Lucent Shares on Euronext Paris and the Alcatel Lucent ADSs on the NYSE.

Early Redemption of a Series of OCEANEs If the Outstanding OCEANEs of Such Series Represent Less Than 15% of the Issued OCEANEs of any Such Series

Pursuant to the terms of the prospectus relating to the issue of each of the OCEANEs, Alcatel Lucent may, at its option and at any time, subject to advance notice of at least 30 calendar days, redeem at par value plus, regarding the 2018 OCEANEs and the 2020 OCEANEs, accrued interests from the date the interest was last paid, to the date set for the early redemption all of the outstanding 2018 OCEANEs, 2019 OCEANEs or 2020 OCEANEs, if less than 15% of the issued OCEANEs of any such

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series remain outstanding. If the Exchange Offer is successful, Nokia expressly reserves the right, to cause Alcatel Lucent to effect such redemption at any relevant time.

The holders of OCEANEs will retain the ability to exercise their OCEANEs conversion/exchange right up to and including the seventh French business day immediately preceding the early redemption date.

Payment of interest with respect to the 2018 OCEANEs

Holders of the 2018 OCEANEs are reminded that the next interest payment with respect to the 2018 OCEANEs will occur on January 4, 2016 and will be paid to the holders of record of the 2018 OCEANEs on December 31, 2015. Since the Exchange Offer is not expected to complete until after December 31, 2015, Nokia would not become a holder of record of the 2018 OCEANEs until after the record date for the next interest payment. Accordingly, we understand that the next interest payment with respect to the 2018 OCEANEs will be made by Alcatel Lucent to the record holders of the 2018 OCEANEs on December 31, 2015 whether or not they have tendered their 2018 OCEANEs into the Exchange Offer.

Legal Matters; Regulatory Approvals

General

We are not aware of any governmental license or regulatory permit that appears to be material to Alcatel Lucent s business that might be adversely affected by Nokia s acquisition of Alcatel Lucent Securities pursuant to the Exchange Offer or, except as described below, of any approval or other action by any government or governmental administrative or regulatory authority or agency, domestic or foreign, that would be required for Nokia s acquisition or ownership of Alcatel Lucent Securities pursuant to the Exchange Offer. Should any of these approvals or other actions be required, Nokia currently contemplates that these approvals or other actions will be sought. There can be no assurance that any of these approvals or other actions, if needed, will be obtained (with or without substantial conditions) or that if these approvals were not obtained or these other actions were not taken adverse consequences might not result to Alcatel Lucent s or our business.

Regulatory Approvals for the Exchange Offer

Pursuant to the Memorandum of Understanding, the filing of the French Offer with the AMF was conditional on the receipt of approvals (or expiration of the relevant waiting periods) from antitrust or similar authorities in nine jurisdictions identified below. In addition, the filing of the French Offer with the AMF was subject to the authorization of the Ministry of Economy and Finance of the French Republic and the receipt of the required approval of the Committee on Foreign Investment in the United States.

Antitrust Approvals

United States. Under the Hart-Scott-Rodino Act of 1976 (the HSR), the Exchange Offer may not be consummated until HSR notifications have been made and the applicable waiting period has expired or been terminated. Nokia and Alcatel Lucent filed their respective HSR notifications for the transaction on May 18, 2015. On June 16, 2015, the United States Department of Justice granted early termination of the HSR waiting period.

European Union. Under the Council Regulation (EC) No. 139/2004 of the Council of the European Union, the Exchange Offer requires notification to and prior approval by the European Commission. Nokia received the European Commission s approval for the Exchange Offer on July 24, 2015.

People s Republic of China. Under the Chinese Anti-Monopoly Law of 2008, the Exchange Offer cannot be completed until it is reviewed and approved by the Ministry of Commerce of the People s Republic of China (MOFCOM). On October 19, 2015, Nokia received clearance from MOFCOM for the proposed acquisition of Alcatel Lucent.

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Other jurisdictions. The filing of the French Offer with the AMF was also subject to approval or expiration of the relevant waiting periods with respect to the antitrust regulations in Brazil, Canada, India, Japan, Russia and Taiwan. The last of these approvals was received on August 21, 2015.

Other Regulatory Approvals

Exon-Florio/CFIUS. Pursuant to the Exon-Florio Amendment to the Defense Production Act of 1950, 50 U.S.C. App. §2170, as amended, on September 14, 2014, the Committee on Foreign Investment in the United States (CFIUS) notified Nokia and Alcatel Lucent that there were no unresolved national security concerns regarding the Exchange Offer and its implications for the U.S. operations of Nokia and Alcatel Lucent.

Ministry of Economy, Industry and Digital Sector of the French Republic. In accordance with the French laws and regulations on foreign investments in France (Articles L. 151-1 et al. and R. 153-1 et al. of the French Financial and Monetary Code), Nokia filed an authorization request letter with the Ministry of Economy, Industry and Digital Sector of the French Republic (the MINEFI) on May 18, 2015. Nokia received MINEFI approval for the Exchange Offer on October 21, 2015.

In its discussions with the French government, Nokia has confirmed that France will play a leading role in the combined company s R&D operations. Nokia will build on the strong competencies in the country within key technology areas, on the existing presence of Alcatel Lucent and its strong engagement in the technology ecosystem in France, and on the excellent new technical talent available from French universities.

In addition to the employment-related commitments described in The Transaction Intentions of Nokia over the next twelve months Intentions of Nokia with respect to employment in France, Nokia made a certain number of commitments in the context, and subject to, the proposed combination with Alcatel Lucent.

Alcatel Lucent will be represented by three board members in the combined company. Nokia will be also listed on Euronext Paris. The combined company will establish or keep the adequate legal entities in France and comply with French regulations related to sensitive contracts.

Nokia expects to benefit from becoming a deeply embedded part of France, tapping into and helping develop the technology ecosystem of the country. Nokia will invest further in the digital innovation ecosystem in France following the Completion of the Exchange Offer, primarily through the establishment of a long-term investment fund in the range of EUR 100 million. This fund will mainly target the Internet of Things, cyber-security and software platform enablers for next generation networks.

Nokia intends to support the development of the overall telecom ecosystem in France and to ensure continuity of Alcatel Lucent s current initiatives. This involves playing an active role in the government s Industry of the Future program, funding academic tuition, programs and chairs, situating technology experts within France (such as within Bell Labs France), and continuing Alcatel Lucent s involvement in major initiatives such as Pôles de compétitivité Systematic, Cap Digital, and Images and Réseaux. Nokia will also develop three industrial platforms and networks prototypes in France within the fields of 5G, Industrial Internet/Internet of Things connectivity and cyber-security.

Following the Completion of the Exchange Offer, Nokia, which will remain headquartered in Finland, intends to leverage the combined strengths of the companies strategic business locations and major R&D centers in other countries, including Finland, Germany, the United States and China.

Nokia has committed, upon Completion of the Exchange Offer, to providing regular updates to the French government as the integration of the two companies progresses.

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Banking and Insurance Supervisory Authorities

Pursuant to the AMF General Regulation, prior to the opening of the French Offer with the AMF, Nokia was required to obtain approvals (or expiration of the relevant waiting periods) from the banking and/or insurance supervisory authorities in Europe (European Central Bank), Luxembourg (*Commissariat aux Assurances*), and Vermont (United States) (Vermont Department of Financial Regulation), as a result of the indirect change of control, if the Exchange Offer is successful, of the French banking company Electro Banque and the Luxembourg reinsurance company Electro Re, both directly wholly-owned subsidiaries of Alcatel Lucent, as well as the Luxembourg insurance company Electro Assurance and the U.S. insurance company First Beacon Insurance Company, both directly wholly-owned subsidiaries of Electro Re. Nokia obtained the approvals of the Vermont Department of Financial Regulation on July 9, 2015, the *Commissariat aux Assurances* on August 14, 2015, and the European Central Bank on October 20, 2015.

AMF Regulation of the French Offer

On October 29, 2015, Société Générale, acting on Nokia s behalf as presenting bank (*banque présentatrice*) for the French Offer, filed with the AMF a letter containing the material terms of the French Offer and a draft of the French Offer Documentation with respect to the French Offer.

Pursuant to Article 231-13 of the AMF General Regulation, Société Générale, acting as presenting bank (*banque présentatrice*) for the French Offer, guarantees the content and the irrevocable nature of the undertakings made by Nokia in the context of the French Offer.

Following the filing of the French Offer with the AMF, the AMF published on the same day on its website (*www.amf-france.org*) the material terms of the French Offer in an official notice.

According to Article 231-16 of the AMF General Regulation, a press release containing the main elements of the draft French Offer Documentation and setting forth the means by which Nokia is making the draft French Offer Documentation available to the public was published by Nokia on October 29, 2015. The draft French Offer Documentation was also published on the websites of the AMF (www.amf-france.org) and Nokia (www.nokia.com).

A draft response document (*projet de note en réponse*) has also been filed on October 29, 2015 by Alcatel Lucent with the AMF. Such draft response document contains in particular the report of the independent expert appointed by Alcatel Lucent board of directors in the context of the French Offer, the reasoned opinion of Alcatel Lucent s board of directors on the Exchange Offer and the opinion of Alcatel Lucent s French Group Committee on the Exchange Offer.

On , the AMF declared the French Offer compliant with applicable laws and regulations and granted its visa with respect to the French Offer Documentation and Alcatel Lucent s draft response document.

The French Offer Documentation and Alcatel Lucent s response document having received the visa of the AMF, and Nokia s and Alcatel Lucent s French document relating, in particular, to its legal, financial and accounting characteristics having made freely available to the public no later than the day before the opening of the French Offer, the French Offer is expected to commence on November 18, 2015. These documents are also made available on the website of the AMF and Nokia. Prior to the opening of the Exchange Offer, the AMF published an opening notice announcing the opening of the French Offer, and Euronext Paris published a notice announcing the calendar and the terms and conditions of the French Offer. A public announcement detailing the terms of provision of these documents has also been published on .

The French Offer will remain open for a period of 25 French trading days, unless it is extended or terminated earlier in accordance with the AMF General Regulation.

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Following the expiration of the French Offer period, the AMF will announce the results of the French Offer (taking into account the results of the U.S. Offer) by a notice which will be published no later than nine French trading days following the expiration of the French Offer period and Euronext Paris will indicate in a notice the date of settlement of the French Offer.

According to Article 232-4 of the AMF General Regulation, if the Exchange Offer is successful and if Nokia holds less than 95% of the share capital and voting rights of Alcatel Lucent, the subsequent offering period will commence in connection with the French Offer within ten French trading days following the publication of the results of the French Offer (taking into account the results of the U.S. Offer) by the AMF, for a period of at least ten French trading days. Prior to the commencement of the subsequent offering period, the AMF will publish a reopening notice.

Following the expiration of the subsequent offering period, the AMF will announce the results of the French Offer (taking into account the results of the U.S. Offer) by a notice which will be published no later than nine French trading days following the expiration date of the subsequent offering period of the French Offer and Euronext Paris will indicate in a notice the date of settlement of the subsequent offering period of the French Offer.

Certain Relationships with Alcatel Lucent and Interests of Nokia in the Exchange Offer

Except as set forth in this exchange offer/prospectus, neither Nokia nor, after due inquiry and to the best of Nokia s knowledge and belief, any of its directors, executive officers or other affiliates has any contract, arrangement, understanding or relationship with any other person with respect to any securities of Alcatel Lucent, including any contract, arrangement, understanding or relationship concerning the transfer or the voting of any securities, joint ventures, loan or option arrangements, puts or calls, guaranties of loans, guaranties against loss or the giving or withholding of proxies. Except as otherwise described in this exchange offer/prospectus, there have been no contacts, negotiations or transactions since April 15, 2015, between Nokia, any of Nokia s subsidiaries or, after due inquiry and to the best knowledge and belief of Nokia, any of the persons listed on Schedule I to this exchange offer/prospectus, and Alcatel Lucent or its affiliates, on the other hand, concerning a merger, consolidation or acquisition, an exchange offer or other acquisition of securities, an election of directors, or a sale or other transfer of a material amount of assets.

The name, citizenship, business address, business telephone number, principal occupation or employment, and five-year employment history for each of the directors and executive officers of Nokia and certain other information are set forth in Schedule I to this exchange offer/prospectus. Except as described in this exchange offer/prospectus and in Schedule I hereto, none of Nokia or, after due inquiry and to the best knowledge and belief of Nokia, any of the persons listed on Schedule I to this exchange offer/prospectus, has during the last ten years (i) been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) been a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws or finding any violation of such laws. Except as set forth in this exchange offer/prospectus, to Nokia s knowledge, after reasonable inquiry, none of the persons listed on Schedule I hereto, nor any of their respective associates or majority owned subsidiaries, beneficially owns or has the right to acquire any securities of Alcatel Lucent or has effected any transaction in securities of Alcatel Lucent during the past 60 days.

Other than as described below, Nokia does not believe that the Exchange Offer and the squeeze-out will result in a change of control under any of Nokia s stock option plans or any change in control agreement between Nokia and any of its employees. As a result, no other options or equity grants held by such persons will vest as a result of the Exchange Offer or the squeeze-out, if any.

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In 2015, Nokia has reimbursed Alcatel Lucent approximately EUR 124 000 and USD 62 000 for out-of-pocket expenses paid by Alcatel Lucent to third parties for shareholder analysis at the request of Nokia in connection with the Exchange Offer, including shareholder analysis in accordance with Rule 14d-1 under the Exchange Act.

In addition to disclosures made in the Nokia 2014 Form 20-F the following arrangements may be triggered by the acquisition of Alcatel Lucent by Nokia.

As described in Nokia 2014 Form 20-F, the service contract of Rajeev Suri, President and Chief Executive Officer, includes a limited termination event that applies until June 30, 2016 subject to specified circumstances. If Mr. Suri s employment with Nokia is terminated by Nokia within six months of the Completion of the Exchange Offer (and at or prior to June 30, 2016), and other specified circumstances of the limited termination event are fulfilled, he would be entitled to, in addition to normal severance payment payable upon his termination by Nokia for reasons other than cause, to a pro rated value of unvested equity awards under the Nokia Networks Equity Incentive Plan (the EIP). Subject to this limited time treatment of unvested equity awards under the EIP, all of Mr. Suri s other unvested equity will be forfeited.

In addition, in connection with the Exchange Offer, Nokia entered into personal agreements with certain senior management participants in EIP, including Samih Elhage, Executive Vice President and Chief Financial and Operating Officer of Nokia Networks, pursuant to which, if their respective employment with Nokia is terminated (other than for cause) by Nokia within twelve months of Completion of the Exchange Offer they would be entitled to, in addition to normal severance payment payable upon their termination by Nokia for reasons other than cause, to pro-rata settlement of the value of their EIP options. Further, such participants have the right to trigger termination and pro-rata settlement of their respective EIP options after the Completion of the Exchange Offer if they are offered a role within Nokia with materially less responsibility or less total target cash compensation.

Interests of Executive Officers and Directors of Alcatel Lucent in the Exchange Offer

Certain members of the board of directors and management of Alcatel Lucent participated in determining the terms of the Exchange Offer. These individuals may have certain interests in the Exchange Offer that are different from, or in addition to, the interests of holders of Alcatel Lucent Securities generally and that may have caused them to view the proposed transaction more favorably and/or differently than you might.

The Alcatel Lucent board of directors was aware of these interests when it considered the Exchange

Offer at its meeting of October 28, 2015.

Information on the interests of executive officers and directors of Alcatel Lucent in the Exchange Offer is described in Alcatel Lucent s Solicitation/Recommendation Statement on Schedule 14D-9, which is being distributed to holders of Alcatel Lucent Securities together with this exchange offer/prospectus and is incorporated herein by reference.

Treatment of Alcatel Lucent Stock Options and Performance Shares

Alcatel Lucent Stock Options

Alcatel Lucent has granted Alcatel Lucent Stock Options within the framework of several plans during 2006, 2007, 2008, 2009, 2010, 2011, 2012 and 2013, the main features of which are set out in the

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Alcatel Lucent 2014 Form 20-F. For the 2014 financial year, Nokia and Alcatel Lucent agreed in the Memorandum of Understanding that the planned allocation of Alcatel Lucent Stock Options would be replaced by the allocation of Alcatel Lucent Shares.

The holders of Alcatel Lucent Stock Options who wish to tender the Alcatel Lucent Shares to which such Alcatel Lucent Stock Options give them rights in the Exchange Offer need to exercise their Alcatel Lucent Stock Options sufficiently in advance of the Expiration Date, or expiration date of any subsequent offering period in order for the underlying Alcatel Lucent Shares to be issued and tendered into the Exchange Offer prior to the Expiration Date, or during the subsequent offering period, if any.

As far as Nokia is aware, as of October 1, 2015, there were 84 050 881 Alcatel Lucent Stock Options outstanding, of which 70 150 018 were vested.

Alcatel Lucent will offer to holders of unvested Alcatel Lucent Stock Options granted prior to April 15, 2015 (a maximum total number of around 13 925 081 Alcatel Lucent Stock Options as of October 1, 2015), an option to accelerate their Alcatel Lucent Stock Options subject to the Completion of the Exchange Offer, the beneficiaries having satisfied the presence condition on the Expiration Date and the beneficiaries having undertaken to exercise their accelerated Alcatel Lucent Stock Options and all vested Alcatel Lucent Stock Options held by them (except, as the case may be, those that are subject to a tax lock-up period provided by French or Belgian laws) and to sell their Alcatel Lucent Shares resulting from the exercise of the Alcatel Lucent Stock Options in the market no later than two French trading days before the last day of the subsequent offering period or, in case there is no subsequent offering period, before the squeeze-out.

The holders will be released from their commitment to exercise the Alcatel Stock Options and sell the resulting Alcatel Lucent Shares if the sum of the exercise price of these Alcatel Lucent Stock Options and the costs and expenses relating to the exercise and sale is higher than the sale price of the resulting Alcatel Lucent Shares. Upon accepting the acceleration mechanism, these beneficiaries will irrevocably accept the terms and conditions of the liquidity agreement described in Liquidity Mechanism with respect to the Alcatel Lucent Stock Options not exercised pursuant to the preceding sentence. Likewise, holders will also irrevocably accept the terms and conditions of the liquidity mechanism described in Liquidity Mechanism with respect to the Alcatel Lucent Stock Options subject to a tax lock-up period provided by French or Belgian law, unless they opted for an acceleration agreement which covers such Alcatel Lucent Stock Options.

In certain jurisdictions, the mechanisms described above may be adjusted to comply with possible applicable legal, regulatory or other local constraints.

For the beneficiaries of Alcatel Lucent Stock Options who do not accept such acceleration, the terms and conditions of their Alcatel Lucent Stock Options will remain unchanged, including presence conditions and, as the case may be, performance conditions. Some of these holders may furthermore benefit from a liquidity mechanism, under certain conditions and insofar the applicable regulations allow it (see Liquidity Mechanism).

We understand that Alcatel Lucent had considered issuing, and ultimately did not issue, Alcatel Lucent Stock Options to its employees with respect to the 2014 financial year. As a replacement for these Alcatel Lucent Stock Options, Alcatel Lucent will provide the holders the opportunity to receive Alcatel Lucent Shares (a maximum total number of 3 523 332 as of October 1, 2015) according to the ratio of one Alcatel Lucent Share per two Alcatel Lucent Stock Options. This grant of Alcatel Lucent Shares will be subject to the Completion of the Exchange Offer, the holders having satisfied the presence condition on the Expiration Date and the beneficiaries having undertaken to sell the Alcatel Lucent Shares on the market no later than two French trading days before the last day of the subsequent offering period.

In certain jurisdictions, the mechanisms described above may be adjusted to comply with possible applicable legal, regulatory or other local constraints.

Alcatel Lucent Performance Shares

Alcatel Lucent has granted to its employees Alcatel Lucent Performance Shares within the framework of several plans during 2008, 2009, 2010, 2011, 2012, 2013 and 2014, the main features of which are set out in the Alcatel Lucent 2014 Form 20-F. Issuance of additional Performance Shares was decided on July 29, 2015.

As far as Nokia is aware, as of October 1, 2015, there are 28 304 676 unvested Alcatel Lucent Performance Shares and 2 506 385 vested Alcatel Lucent Performance Shares that remain subject to a holding period which is not expected to expire prior to the Expiration Date.

Alcatel Lucent will offer to holders of the Alcatel Lucent Performance Shares granted before the execution of the Memorandum of Understanding, namely on April 15, 2015, and still subject to a vesting period (a total maximum number of 18 307 676 Alcatel Lucent Performance Shares to Nokia s knowledge as of October 1, 2015), an option to waive their rights under the Alcatel Lucent Performance Shares plans in exchange for an indemnity payable in unrestricted Alcatel Lucent Shares and subject to the Completion of the Exchange Offer, the beneficiaries having satisfied the presence condition on the Expiration Date and the beneficiaries having undertaken to sell the Alcatel Lucent Shares thus received on the market no later than two French trading days before the last day of the subsequent offering period.

In certain jurisdictions, the mechanisms described above may be adjusted to comply with possible applicable legal, regulatory or other local constraints.

The terms and conditions of the Alcatel Lucent Performance Shares held by beneficiaries who do not accept such a waiver, will remain unchanged, including the presence or performance conditions, it being understood however that the Alcatel Lucent board of directors decided, concerning the performance conditions, to amend them, in case of a Lack of Liquidity (as defined in Liquidity Mechanism), in order to replace the stock market price of Alcatel Lucent by the stock market price of Nokia as reference stock market price and adjust the reference representative sample. In addition, certain holders may benefit from a liquidity mechanism, under certain conditions and insofar it is allowed by the applicable legal, regulatory or other local constraints (see Liquidity Mechanism).

With respect to the Alcatel Lucent Performance Shares subject to a vesting period and granted after April 15, 2015, the underlying beneficiaries will benefit from a liquidity mechanism, under certain conditions and insofar it is allowed by the applicable legal, regulatory or other local constraints (see Liquidity Mechanism).

With respect to the vested Alcatel Lucent Performance Shares of beneficiaries who are French tax residents but subject to a holding period, the underlying beneficiaries may tender their Alcatel Lucent Performance Shares into the Exchange Offer, in spite of legal lock-up period. Article L. 225-197-1(III) of the French Commercial Code provides that in an exchange without cash consideration of free shares during the holding period in a public exchange offer, the remaining holding period remains applicable to the shares issued as consideration in the context of the Exchange Offer (see Liquidity Mechanism). Thus, Nokia Shares received in exchange will be subject to the remaining holding period.

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Liquidity Mechanism

Liquidity offered to holders of Alcatel Lucent Stock Options and beneficiaries of Alcatel Lucent Performance Shares allocated before 2015

Pursuant to the Memorandum of Understanding, Nokia will propose a liquidity agreement to the French tax residents who are beneficiaries of the following plans, as a result of tax constraints to which they are subject:

- Alcatel Lucent Performance Shares n° A0914RUROW dated September 15, 2014, namely, a maximum number of 1 802 679 Alcatel Lucent Shares as of October 1, 2015;

- Alcatel Lucent Stock Options n° A0812NHFR2 dated August 13, 2012, namely, a maximum number of 19 815 Alcatel Lucent Shares as of October 1, 2015;

- Alcatel Lucent Stock Options n°A0312COFR2 dated March 14, 2012, namely, a maximum number of 1 212 468 Alcatel Lucent Shares as of October 1, 2015.

This liquidity agreement will also be offered to Belgian tax residents who are beneficiaries of the following plan, provided that they opted for the taxation at the grant on a reduced basis of these Alcatel Lucent Stock Options and that they committed to hold these Alcatel Lucent Stock Options:

- Stock Options n° A0713COBE2 dated July 12, 2013, namely, a maximum number of 90 081 Alcatel Lucent Shares as of October 1, 2015.

Pursuant to this liquidity agreement, if the market of the Alcatel Lucent Shares does not have sufficient liquidity, in particular in case of (i) delisting of the Alcatel Lucent Shares, (ii) holding by Nokia of more than 85% of the Alcatel Lucent Shares or (iii) average daily trading volume of Alcatel Lucent Shares on Euronext Paris falling below 5 000 000 Alcatel Lucent Shares for 20 consecutive French trading days (any such event, a Lack of Liquidity), the Alcatel Lucent Shares received by holders of Alcatel Lucent Stock Options will automatically be exchanged for Nokia Shares, or for a cash consideration equal to the market value of such Nokia Shares, upon exercise of these Alcatel Lucent Stock Options after expiration of the applicable lock-up period. This liquidity agreement also provides that the relevant Alcatel Lucent Performance Shares would be automatically exchanged by Nokia into Nokia Shares, or for cash consideration equal to the market value of such Nokia Shares, after the end of the lock-up period.

The exchange ratio to be offered in liquidity agreements would be consistent with the exchange ratio of the Exchange Offer, subject to certain adjustments, in case of financial transactions of Nokia or Alcatel Lucent, in order for the holders of Alcatel Lucent Stock Options and beneficiaries of Alcatel Lucent Performance Shares to be able to obtain the same number of Nokia Shares that they would have obtained if such a transaction had not taken place.

In addition, a liquidity agreement will be proposed with respects to (i) the vested Alcatel Lucent Stock Options not covered by the selling undertaking described in Alcatel Lucent Stock Options where the sum of the exercise price and the costs and expenses relating to this exercise will represent more than 90% of the Alcatel Lucent Share price as of the closing of the last day of the subsequent offering period on Euronext Paris and (ii) the unvested and vested Alcatel Lucent Stock Options to be subject to a liquidity agreement as described in Alcatel Lucent Stock Options of this exchange/offer prospectus. This liquidity agreement will be settled as described above, either in Nokia Shares or for cash consideration equal to the market value of such Nokia Shares.

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The liquidity agreement referred to in Alcatel Lucent Stock Options of this exchange offer/prospectus concerning the beneficiaries who make the choice of the acceleration will be accepted by these holders at the same time as the acceleration agreement.

In certain jurisdictions, the mechanisms described above may be adjusted to comply with possible applicable legal, regulatory or other local constraints.

Liquidity offered to holders of Alcatel Lucent Stock Options and beneficiaries of Alcatel Lucent Performance Shares allocated in 2015

Pursuant to the Memorandum of Understanding, Nokia and Alcatel Lucent have agreed to enter into a liquidity agreement with all beneficiaries of Alcatel Lucent Performance Shares granted after April 15, 2015, pursuant to which, in case of a Lack of Liquidity at the date of expiration of the applicable vesting period, all Alcatel Lucent Performance Shares, representing, to the knowledge of Nokia, a maximum of 9 997 000 Alcatel Lucent Shares as of October 1, 2015 would be automatically exchanged by Nokia into Nokia Shares, or for a cash consideration equal to the market value of the Nokia Shares, shortly after the end of the vesting period.

The exchange ratio to be offered in liquidity agreements would be consistent with the exchange ratio of the Exchange Offer, subject to certain adjustments, in case of financial transactions of Nokia or Alcatel Lucent, in order for the beneficiaries of Alcatel Lucent Performance Shares to be able to obtain the same number of Nokia Shares that they would have obtained if such a transaction had not taken place.

In certain jurisdictions, the mechanisms described above may be adjusted to comply with possible applicable legal, regulatory or other local constraints.

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FINANCIAL ANALYSIS OF THE EXCHANGE OFFER

Under French law and the AMF General Regulation, the French Offer Documentation (specifically the *note d information*) must include a description of the financial terms of the French Offer using a multi-criteria financial analysis. Since this financial analysis has been made available in the French Offer Documentation, a translation of the financial analysis is also included in this exchange offer/prospectus. The financial analysis was performed solely to comply with French regulations in connection with the preparation of the French Offer Documentation. This financial analysis was not relied on in any way by Nokia in connection with establishing the consideration offered in the Exchange Offer. Representatives of Société Générale assisted Nokia by compiling and reviewing data used in, and performing certain calculations for purposes of, this financial analysis. However, this financial analysis does not constitute an opinion of Société Générale or any of its affiliates regarding the fairness of the consideration offered in the Exchange Offer from a financial point of view or otherwise to either the holders of Alcatel Lucent Securities or the holders of Nokia Shares or Nokia ADSs and is not intended to, and does not, constitute a recommendation to any holder of Alcatel Lucent Securities with respect to the Exchange Offer. Neither Société Générale nor any of its affiliates has made any independent valuation or appraisal of the assets or liabilities of Nokia or Alcatel Lucent, nor has Société Générale or any of its affiliates been furnished with any such appraisals. Moreover, this financial analysis is not intended to, and does not, represent the views of Société Générale or any of its affiliates as to the underlying valuation, future performance or long-term viability of Nokia or Alcatel Lucent, or the prices at which Nokia Shares or Nokia ADSs will trade upon or subsequent to announcement or consummation of the Exchange Offer. This financial analysis is necessarily based on economic, monetary, market and other conditions as in effect on, and on the information made available to Société Générale as of April 9, 2015. Subsequent developments may affect this financial analysis. This financial analysis will not be updated or revised.

The below is a translation from French of the original disclosure regarding the financial analysis of the Exchange Offer set forth in the French Offer Documentation. Certain terminology has been conformed to the defined terms used in this exchange offer/prospectus and certain typographical conventions have been conformed to United States usage.

Valuation Criteria for the Exchange Ratio

The Exchange Offer initiated by Nokia relates to Alcatel Lucent Shares and OCEANEs in the context of a proposed combination aimed at creating a global innovation leader in telecommunication networks equipment and services.

The exchange ratio (in this section, the Exchange Ratio) proposed by Nokia is 0.5500 Nokia Share for 1 Alcatel Lucent Share, implying EUR 3.95 per Alcatel Lucent Share on the basis of Nokia s share price as of April 9, 2015 (EUR 7.18 per share). In addition, the present Exchange Offer encompasses an equivalent offer for each outstanding class of Alcatel Lucent convertible bonds: 2018 OCEANE, 2019 OCEANE and 2020 OCEANE**.**

The elements provided to assess the Exchange Ratio have been prepared by Société Générale, the presenting bank of the Exchange Offer on behalf of Nokia. This analysis has been established on the basis of a multi-criteria analysis according to the commonly used valuation methodologies taking into account the specificities of Nokia and Alcatel Lucent, their size and their activity.

The analysis presented below has been prepared on the basis of the financial information published by the two companies or available through public sources. This information has not been subject to any independent verification by the presenting bank. Financial statements for the year 2014 disclosed by Nokia and Alcatel Lucent, on January 29, 2015 and February 6, 2015 respectively, have been used.

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Q1 and Q2 results published respectively on April 30, 2015 and July 30, 2015 for Nokia and on May 7, 2015 and July 30, 2015 for Alcatel Lucent have not been retained, considering the reference date used for this valuation exercise is April 9, 2015:

April 9, 2015 is the day prior to first rumors appearing in the press and affecting both stock prices;

4 days before rumors confirmed (April 14, 2015) by a joint press release which affected significantly both stock prices; and

6 days before the joint announcement of the proposed transaction, together with its terms, including in particular the Exchange Ratio.

Financials/Preliminary Data

Financials

Given the confidentiality of both companies business plans, the analysis relies on 2014 audited financial statements as well as on equity analysts consensus estimates for each company.

2014 financial statements for Nokia and Alcatel Lucent have been published on January 29, 2015 and February 6, 2015 respectively. Consensus forecasts are based on analysts reports published post the publication of fiscal year 2014 results for both companies, but prior to the retained reference date.

The analysis presented is based on standalone perimeters for both companies, i.e. excluding any impact resulting from the proposed transaction. In this respect, the financial impact of subsequent disposals or of potential synergies related to the combination has not been taken into account. In addition, these potential synergies would result from the combination of both businesses with no possible allocation ex-ante between each group and they would materialize post-closing and only if the transaction is successful.

Analyst consensus used for Nokia

Nokia in EURm, FY end 31-Dec	**Sales**		**EBIT**	
	15E	**16E**	**15E**	**16E**
Metrics	13 508	14 013	1 741	1 923
Growth/Margin	*6.1%*	*3.7%*	*12.9%*	*13.7%*

Analyst Consensus Used for Alcatel Lucent

Alcatel Lucent in EURm, FY end 31-Dec	**Sales**		**EBIT**	
	15E	**16E**	**15E**	**16E**
Metrics	13 833	14 268	1 042	1 228
Growth/Margin	*5.0%*	*3.2%*	*7.5%*	*8.6%*

Sources: Analysts reports

EBIT adjusted for restructuring and other non-recurring items and goodwill amortization.

Enterprise Value to Equity Value Bridge

Adjustments from enterprise value to equity value retained are based on the latest published financial statements as of December 31, 2014 available for both groups at the reference date.

In addition to gross financial debt (retained at book value) adjusted for cash and cash equivalents (net financial debt), Société Générale took into account the following non-operating balance sheet items in the bridge from EV to EqV retained at book value: minority interests, post-tax pension provisions, associates and other financial assets and specific provisions (mainly for obligations associated with retirement of fixed assets and other environmental liabilities). Note that provisions for pension obligations are adjusted by the savings related to the tax deductibility of P&L expenses related to pension liabilities.

Tax losses carry forward reserves for Alcatel Lucent and Nokia are directly reflected in the financial forecasts for both companies through an adjustment of the effective tax rate. For information purposes only, the potential tax savings related to these tax losses amount to, respectively, EUR 11.5 billion (tax credit) for Alcatel Lucent, of which EUR 1.15 billion is recognized in Alcatel Lucent s balance sheet (mainly related to operations in France and in the United States) and EUR 3.2 billion for Nokia, of which EUR 0.83 billion is recognized in Nokia s balance sheet.

The payment of a dividend in respect of financial year 2014 has not been included in the following calculation for Nokia since payment of a dividend had not been approved by Nokia annual general meeting (held on May 5, 2015) at the reference date of April 9, 2015. No dividend has been paid by Alcatel Lucent in respect of financial year 2014.

Nokia

	EURm
Adjusted net financial debt/(cash)	(6 487)
Minority interests	58
Post-tax pension provisions	380
Associates and other financial assets	(51)
Other adjustments (provisions)	559
Adjusted Net Debt/(Cash)	**(5 540)**

Source: Company filings

Notes: Adjusted net financial debt as of December 31, 2014 excludes 2017 Convertible Bond assumed converted as the instrument is in-the-money (underlying shares included in the fully diluted number of shares)

Net financial debt also excludes derivatives instruments assets and liabilities but includes non-current available for sale financials assets, long-term loans receivables and other current financial assets

Net financial debt adjusted for cash outflow s related to share buybacks realized during Q1 2015 for a total consideration of EUR 173 million

Pension provisions are accounted post-tax (based on normative tax rate as defined in 3.2.4. section)

Associates and other financial assets and minority interests are retained at book value

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Alcatel Lucent

	EURm
Adjusted net financial debt/(cash)	(1 217)
Minority interests	833
Post-tax pension provisions	959
Associates and other financial assets	(51)
Other adjustments (provisions)	561
Adjusted Net Debt/(Cash)	**1 085**

Source: Company filings

Notes: Adjusted net financial debt as of December 31, 2014 excludes Alcatel Lucent 2018 OCEANE assumed converted as the instrument is in-the-money (underlying shares included in the fully diluted number of shares)

Net financial debt also excludes derivatives instruments assets and liabilities but includes other non-current financial assets

Pension provisions are accounted post tax (based on normative tax rate as defined in section Methodologies selected for the Appraisal of the Exchange Ratio Discounted Cash Flow approach).

Associates and other financial assets and minority interests are retained at book value

Numbers of Shares Retained

Methodology

The number of shares used for Nokia (respectively Alcatel Lucent) corresponds to the total number of shares issued, as communicated by Nokia (respectively Alcatel Lucent), adjusted for treasury shares, for the conversion of the Nokia 2017 in-the-money Convertible Bond, (respectively for the conversion of the Alcatel Lucent 2018 in-the-money OCEANE) whose conversion price was EUR 1.80 vs. share price of EUR 3.95 as of April 9, 2015) and for all in-the-money share subscription options using the treasury stock method on the basis of the respective Nokia and Alcatel Lucent share prices at the reference date. The numbers of shares retained are based on the latest financial statements published by both companies.

Numbers of Nokia and Alcatel Lucent Shares retained

	As of December 31, 2014	
	Nokia	**Alcatel Lucent**
Total number of shares issued	3 745 044 246	2 820 432 270
Treasury shares	(96 900 800)	(40 120 327)
Impact of dilutive instruments [1]	325 896 038	433 755 081
Shares repurchased (Q1 2015)	(24 516 089)	
Number of shares retained	**3 949 523 395**	**3 214 067 024**

(1) shares to be issued by the exercise of share subscription options or convertible bonds on the basis of the ref erence price as of April 9, 2015.

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Methodologies Selected for the appraisal of the Exchange Ratio

The Exchange Ratio was appraised through a multi-criteria analysis based on the following valuation methods:

- Analysis of historical share prices;
- Analysis of analysts target prices;
- Analysis of trading comparables;
- Analysis of discounted cash flows;

The selected methodologies were applied as of April 9, 2015, last unaffected closing share price prior to the Exchange Offer date.

Analysis of Historical Share Prices

Nokia Shares are listed on the Nasdaq Helsinki (code ISIN: FI0009000681). Nokia Shares are also traded on the NYSE through American depositary shares (ADSs).

Alcatel Lucent Shares are listed on Euronext Paris (code ISIN: FR0000130007). Alcatel Lucent Shares are also traded on the NYSE through ADSs.

These stocks are included in the main indices of their respective stock markets (OMX Helsinki 25 for Nokia and CAC40 for Alcatel Lucent). They are covered by a large number of equity research analysts and are traded in significant volumes. Over a 12 months period prior to April 9, 2015, the total volume of Nokia Shares traded on Nasdaq Helsinki represented 114.7% of Nokia share capital and 117.8% of its free float (which accounted for 97.4% of the share capital); the total volume of Alcatel Lucent Shares traded on Euronext Paris represented 152.3% of Alcatel Lucent share capital and 154.5% of its free float (which accounted for 98.6% of the share capital).

As of April 9, 2015, market capitalisations of Nokia and Alcatel Lucent were EUR 28.5 billion and EUR 11.7 billion respectively.

In addition, since April 14, 2015 announcement, the exchange ratio implied by spot share prices has stabilized very close to the Exchange Ratio.

The following table presents premia based on the Exchange Ratio:

As of April 9, 2015 (last unaffected closing pre offer date)	Nokia Share price (EUR)	Alcatel Lucent Share price (EUR)	Resulting exchange ratio	Resulting Premium/ (Discount)[1]
Spot price as of April 9, 2015	7.18	3.65	0.5084	8.2%
Volume-weighted average price over 1 month	7.20	3.57	0.4964	10.8%
Volume-weighted average price over 3 month	6.99	3.30	0.4727	16.4%
Volume-weighted average price over 6 month	6.70	2.83	0.4226	30.1%
Volume-weighted average price over 12 months	6.36	2.76	0.4342	26.7%
Low (12 Months EUR)	5.14	1.88	0.3654	50.5%
High (12 Months EUR)	7.35	3.72	0.5054	8.8%

Source: Datastream

Note: Historical averages are based on calendar days

(1) Based on the Exchange Ratio of 0.5500 Nokia Shares for 1 Alcatel Lucent Shares.

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Spot exchange ratio over the last 12 months preceding the announcement of the transaction:

Note: Average exchange ratios based on volume-weighted average prices

Following the announcement of the transaction on April 9, 2015, the implied exchange ratio remained within a 0.5150 to 0.5450 range.

Analysis of Analysts Target Prices

Nokia and Alcatel Lucent are covered by a large number of equity research analysts. Nokia and Alcatel Lucent are followed by 31 and 22 equity research analysts respectively, 18 of which are covering both companies.

Research analysts periodically publish recommendations and indicative valuations for both companies. The present analysis only considers equity research analysts providing target prices for both companies in order to ensure consistency of the approach for both companies.

The table below presents the target prices as of April 9, 2015, published by the research analysts common to both companies after release of the 2014 financial results (respectively January 29, 2015 and February 6, 2015 for Nokia and Alcatel Lucent):

		Nokia		Alcatel Lucent		Exchange	Premium/
Analysts	**Retained**	**Date**	**EUR**	**Date**	**EUR**	**ratio**	**(Discount)**
Bernstein	ü	25-Mar-15	4.9	25-Mar-15	3.7	0.7551	(27.2%)
JPMorgan	ü	24-Mar-15	9.0	25-Feb-15	4.0	0.4444	23.8%
Natixis	ü	20-Mar-15	6.0	20-Mar-15	3.9	0.6500	(15.4%)
Goldman Sachs	ü	20-Mar-15	8.8	20-Mar-15	4.6	0.5227	5.2%
Berenberg	ü	12-Mar-15	8.4	12-Mar-15	2.5	0.2976	84.8%
Oddo & Cie	ü	09-Mar-15	5.5	23-Mar-15	4.5	0.8182	(32.8%)
Société Générale	ü	06-Mar-15	8.0	06-Mar-15	3.3	0.4125	33.3%
Nomura	ü	04-Mar-15	7.0	04-Mar-15	4.0	0.5714	(3.7%)
Jefferies	ü	02-Mar-15	7.5	09-Feb-15	3.0	0.4005	37.3%
Exane BNP Paribas	ü	19-Feb-15	6.9	03-Mar-15	3.1	0.4493	22.4%
Kepler Cheuvreux	ü	05-Feb-15	6.0	31-Mar-15	4.3	0.7167	(23.3%)
Morgan Stanley	ü	04-Feb-15	6.3	18-Feb-15	4.1	0.6508	(15.5%)
Barclays	ü	30-Jan-15	6.7	29-Mar-15	4.3	0.6343	(13.3%)
Credit Suisse	ü	30-Jan-15	8.0	09-Feb-15	4.0	0.5000	10.0%
Grupo Santander	ü	29-Jan-15	6.2	06-Feb-15	3.5	0.5645	(2.6%)
Average target prices retained			**7.0**		**3.8**	**0.5395(1)**	**1.9%**

Source: Bloomberg

(1) Implied exchange ratio based on average target prices for both companies.

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The Exchange Ratio represents a 1.9% premium on the exchange ratio implied by this approach.

For information purpose only, based on the average of all analysts target prices published following the publication of 2014 annual results by both companies, the Exchange Ratio represents a 0.5% premium on the exchange ratio implied by this approach.

Analysis Of Trading Comparables

This approach consists in applying to Nokia s and Alcatel Lucent s metrics, the multiples observed for peers comparable to Nokia and to Alcatel Lucent in terms of their business activity, markets and overall size.

This methodology has been selected given the existence of a sufficient number of comparable peers, even though there are some differences in terms of business model, positioning and size. In order to reflect the differences between Nokia and Alcatel Lucent operating models and positioning Société Générale selected differentiated comparable samples for Nokia and Alcatel Lucent.

Nokia valuation

The sum-of-the-parts valuation has been retained for Nokia to reflect differences in terms of profitability, potential growth and long-term margins stability for Nokia Networks , Nokia HERE and Nokia Technologies as no company directly comparable and with similar operating model has been identified. Then specific samples have been retained for all three business segments of Nokia:

Retained sample for Nokia Networks :

- **Alcatel Lucent**;
- **Cisco**: US-based designer, manufacturer, and seller of Internet Protocol (IP) based networking products and services related to the communications and information technology (IT) industry. The company generated 2014 revenues of USD 47.1 billion and 31.8% EBITDA margin. Majority of 2014 revenues are in the Americas 58.9%; EMEA 25.5%; and APJC 15.6%;
- **Ericsson**: Sweden-based world leader in communications technology and services, supporting over 500 operator customers globally. The company generated 2014 revenues of SEK 228 billion and 11.8% EBITDA margin. Majority of 2014 revenues are in Americas 33.8%; Europe (ex. Nordics) 18.7%; North East Asia 12.1%; Middle East 9.3%; Nordics and Central Asia 5.4%; and Rest of the World 20.6%;
- **ZTE**: China-based provider of telecommunications equipment and systems with operations in 160 countries. The company generated 2014 revenues of CNY 8.5 billion and 7.4% EBITDA margin. Majority of 2014 revenues are in China 49.8%; Asia (ex. China) 14.9%; Africa 7.6%; and Rest of the World 27.7%;

Retained sample for HERE :

- **Garmin**: US-based designer, developer and manufacturer of consumer, aviation, outdoor, sports, and marine technologies for the Global Positioning System (GPS). The company generated 2014 revenues of USD 2.9 billion and 26.8% EBITDA margin. Majority of 2014 revenues are in Americas 53.6%; EMEA 36.7% and APAC 9.7%;
- **TomTom**: Netherlands-based designer, developer and manufacturer of navigation and mapping products, as well as GPS sport wearables, fleet management systems and location-based products. The company generated 2014 revenues of EUR 1.0 billion and 14.3% EBITDA margin. Majority of 2014 revenues are in Europe 75.6%; North America 17.2%; rest of the world 7.2%;

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Retained sample for Technologies :

Dolby Laboratories: US-based company specializing in audio noise reduction and audio encoding/compression. The company s business segments include Consumer Electronics, Personal Computers (OEMS, Windows and DVD for PCs), Broadcast (TVs and STB) and Mobile (smartphones, tablets etc). The company generated 2014 (financial year ended September 26, 2014) revenues of USD 1.0 billion and EBITDA 34.1% EBITDA margin. Majority of 2014 revenues are in the US 32.9%; South Korea 20.1%; Japan 13%; China 12%; Europe 12% and rest of the world 10%;

InterDigital: US-based designer and developer of advanced technologies that enable and enhance wireless communications and capabilities (including 2G, 3G, 4G and IEEE 802-related products and networks). The company generated 2014 revenues of USD 0.4 billion with 50.7% EBITDA margin. Majority of 2014 revenues are in South Korea 34.7%; Taiwan 27.9%; North America 16.5%, Japan 12.6%; Europe 8.1% and China 0.2%;

Qualcomm: US-based developer and manufacturer of integrated circuits and system software based on CDMA, OFDMA and other technologies for use in voice and data communications, networking, application processing, multimedia and global positioning system products. The company generated 2014 (financial year ended September 28, 2014) revenues of USD 26.5 billion and 38.1% EBITDA margin. Majority of 2014 revenues are in China (including Hong Kong) 49.8%; South Korea 23.3%; Taiwan 10.9%; US 1.4% and rest of the world 14.6%;

Rambus: US-based technology licensing company developing memory systems for next generation smartphones and tablets, as well as security solutions for cloud computing and mobile devices. The company generated 2014 revenues of USD 0.3 billion and 37.8% EBITDA margin. Majority of 2014 revenues are in the US 36.8%; South Korea 36.2%; Japan 10.3%; Europe 7.2%; Canada 2.4%; and other Asia 7.1%;

Tessera: US-based technology and IP licensing company in the segments of mobile computing and communications, memory and data storage, integrated circuits technologies, semiconductor packaging and interconnect solutions, as well as solutions for mobile and computational imaging. The company generated 2014 revenues of USD 0.3 billion and 67.1% EBITDA margin. Majority of 2014 revenues are in Taiwan 35.9%; Korea 35.2%; the US 14.1%, other Asia 10.4%, Japan 3.6% and rest of the world 0.8%;

Summary of comparable companies for each Nokia segment (as of April 9, 2015):

Networks	**EBIT multiple**	
	2015E	**2016E**
Alcatel Lucent	12.3x	10.4x
Cisco	7.4x	7.0x
Ericsson	13.0x	11.4x
ZTE	14.2x	11.7x
Average multiple Networks	**11.7x**	**10.1x**

	EBIT multiple	
Technologies	**2015E**	**2016E**
Dolby	13.7x	12.6x
InterDigital	10.0x	11.3x
Qualcomm	10.5x	10.1x
Rambus	16.3x	13.9x

Tessera	9.5x	10.7x
Average multiple Technologies	**12.0x**	**11.7x**

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HERE	EBIT m ultiple 2015E	2016E
Tom Tom	27.9x	20.3x
Garmin	10.9x	10.4x
Average multiple HERE business	**19.4x**	**15.4x**

Alcatel Lucent valuation

A consolidated approach has been retained for Alcatel Lucent as the company is almost exclusively active in telecom equipment sector. The sample of selected companies includes generalists and specialized players in the telecom equipment sector (Cisco Systems, Ericsson, Nokia, Juniper, Ciena and ZTE) to reflect both the size and diversification of Alcatel Lucent s products.

The sample of comparable companies for Alcatel Lucent includes the following companies:

Ciena: US-based network specialist focused on communication networking solutions that enable converged, next-generation architectures to create and deliver high-bandwidth services to business and consumer end users. The company generated 2014 revenues of USD 2.3 billion and 11.5% EBITDA margin. Majority of 2014 revenues are in the US 57.6% with the remainder attributed to International operations at 42.4%;

Cisco: Please see above for the description;

Ericsson: Please see above for the description;

Juniper: US-based provider of products and services for high-performance networks, with distribution in more than 100 countries. The company generated 2014 revenues of USD 4.6 billion and 24.0% EBITDA margin. Majority of 2014 revenues are in the Americas 56.8%; EMEA 27.3%; and APAC 15.9%;

Nokia;

ZTE: Please see above for the description

Summary of comparable companies for Alcatel Lucent (as of April 9, 2015):

Alcatel Lucent	EBIT multiple 2015E	2016E
Nokia	13.1x	11.8x
Cisco	7.4x	7.0x
Ericsson	13.0x	11.4x
ZTE	14.2x	11.7x
Juniper	9.7x	8.9x
Ciena	12.8x	10.0x
Average multiple Telecom Equipment	**11.7x**	**10.1x**

Computation of Implied Exchange Ratio

Société Générale has retained the commonly used industry metric of Earnings Before Interest and Tax (EBIT) to support its indicative valuation (in line with company reporting and analyst valuation methodologies) given the low capital intensity of the sector, the differences in accounting treatment for R&D costs and the consideration of restructuring costs for comparable companies. Société Générale has applied to each Nokia activity (Nokia Networks, HERE, and Nokia Technologies) and Alcatel Lucent EBIT forecasts the multiples of the peers related to the same period. For this analysis the multiples for 2015 and 2016 have been applied.

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Société Générale has adjusted the EBIT for both Nokia and Alcatel Lucent by removing exceptional and restructuring related charges to obtain a proportional and comparable ongoing operational EBIT for both businesses. Enterprise value to equity value bridges have been adjusted accordingly.

Enterprise Values derived from this methodology are presented in the table below:

	2015E	2016E
Nokia Networks EBIT Multiple	11.7x	10.1x
HERE EBIT Multiple	19.4x	15.4x
Nokia Technologies EBIT Multiple	12.0x	11.7x
Nokia Implied share price	**EUR 7.3**	**EUR 7.2**
Alcatel Lucent EBIT Multiple	11.7x	10.1x
Alcatel Lucent (Implied share price)	**EUR 3.5**	**EUR 3.5**
Implied exchange ratio	**0.4725**	**0.4900**
Premium/(discount) implied by the Exchange Ratio	**16.4%**	**12.2%**

Exchange Ratios represent 16.4% and 12.2% premia to exchange ratios implied by this approach for 2015 and 2016 EBIT respectively (0.4725 and 0.4900 implied exchange ratios respectively).

The application of the multiples based on earnings per share (Price Earnings Ratio) has been excluded since the net earnings are impacted by the differences between the amortization policies, capital structures and corporate tax rates between Nokia and Alcatel Lucent. Furthermore, the net earnings include the contribution from companies accounted under the equity method, which again present different profiles for Nokia and for Alcatel Lucent. Finally, the net earnings include non-recurring items, such as the impacts of divestments and restructuring costs.

Discounted Cash Flow Approach

This approach consists in discounting future free cash flows generated by each company, taking into account their medium to long term performance. This methodology implies modelling and discounting all future cash flows available to the shareholders and debt holders of each company.

The discounted cash flow analysis has been undertaken by the presenting bank based on Nokia s and Alcatel Lucent s consensus forecasts:

Modelling of the future cash flows available before financial expenses:

2015 and 2016 estimates for revenues, EBIT (adjusted for non-recurring items and goodwill amortization), capex and depreciations are based on analysts estimates as described above;

Estimates for the 2017-2020 period are derived from a linear extrapolation of 2016 projections towards normative year parameters as defined below;

Aggregates in normative year (2020) are based on analyst consensus estimates;

Estimated effective tax rates retained for Nokia and Alcatel Lucent for the period are 24% and 12% respectively. Tax rates are based on revenues breakdown by geography and reflect potential activation of tax savings for Alcatel Lucent (in France and in the United States);

Estimates for the change in net working capital are based on Alcatel Lucent and Nokia reported trade working capital over the past three years;

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These cash flows are discounted at the weighted average cost of capital (also called WACC thereafter) and adopting the mid-year cash flow discounting convention;

Deduction of the adjusted net debt (see section Enterprise value to equity value bridge of this exchange offer/prospectus) as of January 1, 2015;

The terminal value is based on normative cash flows estimated as follows:

Perpetual growth rate of 2.8% for Nokia and 2.0% for Alcatel Lucent based on brokers long-term estimates. Higher PGR for Nokia reflects exposure to wireless business growing more strongly than fixed-line infrastructure;

Normative adjusted EBIT margins based on the analysts long term assumptions: 11.3% for Nokia and 8.0% for Alcatel Lucent;

Normative tax rate of 24% and 29% for Nokia and Alcatel Lucent respectively based on revenue breakdown by geography (for Alcatel Lucent tax rate has been adjusted assuming zero taxation in France to reflect the significant tax losses carry forward levels);

Long term capital expenditures representing 1.7% of sales for Nokia and 3.7% for Alcatel Lucent in line with the long-term consensus forecasts. Difference in normative year reflects capitalization of research and development expenses at Alcatel Lucent;

Change in net working capital is assumed constant for both companies and is in line with the reported trade working capital (excluding exceptional items) over the past 3 years; and

Depreciation and amortization in line with sustaining capital expenditure in normative year respectively 1.7% of sales for Nokia and 3.7% for Alcatel Lucent.

The cash flows have been discounted as of January 1, 2015, using a WACC of 8.6% for Nokia and 9.4% for Alcatel Lucent. These figures result from the average between the median WACC used by equity research analysts (respectively 8.8% and 9.9% for Nokia and Alcatel Lucent) and the result of a usual WACC computation for both companies as described below:

The retained net debt-to-equity ratio (Net Financial Debt / Total Equity) has been set at zero for both companies and reflects the net cash position reported by Nokia and Alcatel Lucent as of December 31, 2014 (in line with industry standards);

Beta of 1.11 for Nokia / 1.12 for Alcatel Lucent based on average beta from the retained samples of comparable companies (source: Barra Beta);

Cost of capital of 8.5% for Nokia / 8.8% for Alcatel Lucent result from the weighted average risk-free rates and risk premia by 2014 revenue geographic breakdown.

The Exchange Ratio represents a premium of 7.5% compared to the exchange ratio implied by this methodology (0.5114).

Excluded Methodologies

Comparable Transaction Multiples

This approach consists in applying the average valuation multiples of a sample of recent transactions in a comparable sector.

This methodology usually encompasses issues in the selection of relevant transactions:

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The price paid for a transaction may reflect a strategic interest specific to a buyer or may include a premium reflecting industrial synergies which vary from one transaction to another;

The methodology depends on the quality and reliability of the information available for selected transactions (depending on the status of the companies acquired listed, private, subsidiaries of a group and confidentiality level of the transactions);

The methodology assumes targets of the transactions selected in the sample are entirely comparable to the company being valued (in terms of size, positioning, geographical presence, growth prospects, profitability, etc.).

This approach has been excluded due to the lack of relevant, recent and documented comparable transactions, notably in terms of profitability, growth, strategic positioning, business model or client portfolios.

Net Asset Value Approach

Net asset value has not been retained as a relevant approach in assessing the proposed Exchange Ratio: this reference, based on a historic value of assets and liabilities, is not relevant as it does not take into account either the actual value of the intangible assets of the two companies (market shares, client relationships, brand image, know-how, etc.) or the future performance of the group. For information, based on net asset values of Nokia (EUR 8 611 million as of December 31, 2014, corresponding to EUR 2.16 per share) and Alcatel Lucent (EUR 1 861 million as of December 31, 2014, corresponding to EUR 0.58 per share), implied premium would be 103.7%

Adjusted Net Asset Value Approach

The adjusted net asset value is the net asset value of the group adjusted for unrealized gains and losses identified in assets, liabilities or off balance sheet commitments.

This approach, usually used for the valuation of portfolio companies with minority financial holdings has been excluded since the assets of Nokia and Alcatel Lucent are mainly majority owned operating assets.

Dividend Discount Model Approach

This methodology, which consists in valuing the equity of a company by discounting, at the company s cost of equity capital, the projected dividends, has been excluded since it mainly relies on projected results estimates and on the payout ratio decided by company management.

As the policies related to the payment of dividends differed in the past between the two companies (note that Alcatel Lucent paid no dividend these last years), this method has been excluded.

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Summary of the Elements Provided to Appraise the Exchange Ratio

Criteria	Nokia implied share price (EUR)	Alcatel Lucent implied share price (EUR)	Resulting exchange ratio	Premium/ (Discount) implied by the Exchange Ratio
Share price as of April 9, 2015				
Spot price as of April 9, 2015	7.18	3.65	0.5084	8.2%
1-month VWAP	7.20	3.57	0.4964	10.8%
3-month VWAP	6.99	3.30	0.4727	16.4%
6-month VWAP	6.70	2.83	0.4226	30.1%
12-month VWAP	6.36	2.76	0.4342	26.7%
12-month low in EUR	5.14	1.88	0.3654	50.5%
12-month high in EUR	7.35	3.72	0.5054	8.8%
Analysts target price as of April 9, 2015				
Analysts target price	7.01	3.78	0.5395	1.9%
Trading comparables as of April 9, 2015				
15E EBIT(1)	7.30	3.45	0.4725	16.4%
16E EBIT(1)	7.20	3.53	0.4900	12.2%
Discounted cash flows method				
Discounted cash flows	6.67	3.41	0.5114	7.5%

(1) Adjusted EBIT before restructuring costs and goodwill amortization.

Assessment of the Exchange Offer Price for the OCEANEs

Key Terms of the OCEANEs

The main characteristics of the OCEANEs are presented in The Exchange Offer Matters Relevant for OCEANEs Holders of this exchange offer/prospectus.

For any additional piece of information related to the OCEANEs, please refer to the operation notes containing the terms of the OCEANEs (in the prospectus registered to the AMF under the n°13-305 on June 26, 2013 for the 2018 OCEANE, and the n°14-254 on June 2, 2014 for the 2019 OCEANEs and 2020 OCEANEs, drawn up for the issuing of the OCEANEs), in addition to Alcatel Lucent s releases on June 26, 2013 and on June 2, 2014 fixing the final terms of the OCEANEs.

Exchange Offer Exchange Ratio by OCEANE Tranche

Equivalent exchange ratios offered to bondholders are based on the Exchange Ratio and the conversion ratio adjusted (rounded to two decimals) in accordance with to the formula applicable in the case of a takeover bid as per OCEANEs terms defined in convertible bonds documentation (see section Takeover conversion value for more details on calculation of the adjusted conversion ratio):

0.6930 Nokia Share for 1 2018 OCEANE

0.7040 Nokia Share for 1 2019 OCEANE

0.7040 Nokia Share for 1 2020 OCEANE

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Equivalent exchange ratio	**OC 2018**	**OC 2019**	**OC 2020**
Initial conversion ratio	1.06	1.00	1.00
Adjusted conversion ratio (1)	1.264	1.28	1.28
Implied Exchange Conversion Ratio	**0.6930**	**0.7040**	**0.7040**

Note: based on exchange ratio of 0.55 Nokia Share for one Alcatel-Lucent Share.

(1) Initial conversion ratio adjusted assuming an Exchange Offer opening date as of November 18, 2015.

Early Repayment Value for the OCEANEs

Early repayment price is calculated according to the OCEANEs terms of early repayment provided for in case a change of control occurs (see section The Exchange Offer Matters Relevant for OCEANEs Holders Early Redemption in the Event of a Change of Control) of the information note). This price is set at the par value plus accrued interest as of the latest anticipated early repayment date on March 1, 2016, assuming up to 30 calendar days after closing of the initial Exchange Offer for Alcatel Lucent to publish a notification of the change of control and then additionally up to 25 to 30 business days to proceed with the early repayment.

EUR	**OC 2018**	**OC 2019**	**OC 2020**
Value of OCEANEs in case of early payment			
At par	1.80	4.11	4.02
Accrued interest	0.01	0.00	0.00
Total	**1.81**	**4.11**	**4.02**

Takeover Conversion Value

Calculation of the conversion value of the OCEANEs is based on the conversion ratio (as determined in the OCEANEs termsheet): 1.06 Alcatel Lucent Shares for one 2018 OCEANE and 1.00 Alcatel Lucent Share for one 2019/2020 OCEANE at the expected Exchange Offer opening date on November 18, 2015 (conversion ratios are rounded to two decimals, in accordance with the convertible bonds documentation). These conversion ratios are adjusted in accordance with the formula applicable in the case of a takeover bid as detailed in the OCEANEs terms (see section The Exchange Offer Matters Relevant for OCEANEs Holders Conversion/Exchange of OCEANE Bonds in the Event of a Tender Offer). The adjusted conversion ratio is calculated as:

$$NCER = CER * (1 + \text{Bond Issue Premium} \quad x \quad (D/DT))$$

With:

NCER is the new conversion/exchange ratio from the Exchange Offer opening date;

CER is the last conversion/exchange ratio in effect before the Exchange Offer opening date: 1.06 for the 2018 OCEANE and 1.00 for the 2019 and 2020 OCEANEs;

Bond Issue Premium: 36.8% (2018 OCEANE), 40.2% (2019 OCEANE), 37.1% (2020 OCEANE);

D is the exact number of days left to run between the Exchange Offer opening date (included) and the maturity date of the OCEANEs (excluded);

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2018 OCEANE: 1.26 = 1.06 * (1 + 36.8% * 956/1 824);

2019 OCEANE: 1.28 = 1.00 * (1 + 40.2% * 1 169/1 695);

2020 OCEANE: 1.28 = 1.00 * (1 + 37.1% * 1 534/2 060);

Applying the formula described above would lead current conversion ratios to adjusted conversion ratios of 1.26 for the 2018 OCEANEs, 1.28 for the 2019 OCEANE and 1.28 for the 2020 OCEANE. Adjusted conversion ratios imply new conversion values of EUR 4.98 per 2018 OCEANE, EUR 5.05 per 2019 OCEANE and EUR 5.05 per 2020 OCEANE (based on the Exchange Ratio of 0.5500 Nokia Share for one Alcatel Lucent Share and Nokia Share price of EUR 7.18 as of April 9, 2015).

OCEANEs Market Price

Implied exchange ratios based on prices of last unaffected closing pre Exchange Offer date and on Nokia Share price average over the respective periods are presented in the following table (Bloomberg as of April 9, 2015):

	Bond price (EUR)			Exchange ratio for the bonds(1)		
	OC 2018	OC 2019	OC 2020	OC 2018	OC 2019	OC 2020
Spot as of April 9, 2015	3.99	4.67	4.67	0.5561	0.6503	0.6498
1m average	3.92	4.63	4.63	0.5451	0.6430	0.6427
3m average	3.72	4.51	4.49	0.5317	0.6459	0.6426
6m average	3.37	4.20	4.13	0.5033	0.6269	0.6163
12m average	3.27	NA	NA	0.5146	NA	NA
Min (12 months)	2.42	3.47	3.26	0.3944	0.5654	0.5320
Max (12 months)	4.06	4.72	4.73	0.5571	0.6475	0.6487

Note: prices based arithmetic average ask price quotes when available of UBS, BNP, Nomura, SocGen, Natixis, Citi, BARC, CACIB as provided by Bloomberg.

(1) Implied ratios based on Nokia reference share prices (Spot as of April 9, 2015, volume weighted average prices 1m, 3m, 6m and 12m, spot price corresponding to Alcatel bonds maximum and minimum values over the past 12 months).

The trading volume on the secondary market is very limited as it consists essentially in OTC (Over the Counter) transactions. Prices in the table above are communicated by Bloomberg which does not disclose any information regarding trading volumes.

Theoretical Value

A theoretical value for Alcatel Lucent s OCEANEs has been determined consideration each OCEANE s own terms and market data at prevailing at the time of the Exchange Offer filing.

The valuations of the various OCEANEs, presented in the table below, are based on a trinomial model and on market conditions as of the reference date. Interest rates (swap rates) are those as of the market close on the reference date (April 9, 2015):

Alcatel Lucent Share price: spot price of April 9, 2015: EUR 3.65;

Credit spread:

OCEANE 4.25% 2018 assuming 240-265 basis point (bps) credit spread as of April 9, 2015

OCEANE 0.0% 2019 assuming 260-275 basis point (bps) credit spread as of April 9, 2015

OCEANE 0.125% 2020 assuming 270-295 basis point (bps) credit spread as of April 9, 2015

Repo: normative assumption of 50 basis point (bps);

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Alcatel Lucent stock volatility: assuming 35%-37%, consistent with historical levels and implied volatility and long-term realized volatility of the Alcatel Lucent stock as of April 9, 2015.

The theoretical value method results in the following average value for each of the convertible bonds: EUR 4.00 (plus accrued interests) per 2018 OCEANE, EUR 4.59 per 2019 OCEANE and EUR 4.55 per 2020 OCEANE. These values imply exchange ratios of 0.5564, 0.6341 and 0.6295 respectively.

Summary of the Elements Provided to Assess the Exchange Ratio for OCEANE Tranches

	Bond price (EUR)			Exchange ratio for the bonds[1]			Premium / (discount)		
	OC 2018	OC 2019	OC 2020	OC 2018	OC 2019	OC 2020	OC 2018	OC 2019	OC 2020
Share prices									
Spot as of April 9, 2015	3.99	4.67	4.67	0.5561	0.6503	0.6498	24.6%	8.3%	8.3%
1m average	3.92	4.63	4.63	0.5451	0.6430	0.6427	27.1%	9.5%	9.5%
3m average	3.72	4.51	4.49	0.5317	0.6459	0.6426	30.3%	9.0%	9.6%
6m average	3.37	4.20	4.13	0.5033	0.6269	0.6163	37.7%	12.3%	14.2%
12m average	3.27	NA	NA	0.5146	NA	NA	34.7%	NA	NA
Min (12 months)	2.42	3.47	3.26	0.3944	0.5654	0.5320	75.7%	24.5%	32.3%
Max (12 months)	4.06	4.72	4.73	0.5571	0.6475	0.6487	24.4%	8.7%	8.5%
Theoretical value									
Value with Nokia share price of EUR 7.18 (as of April 9, 2015)	4.00	4.59	4.55	0.5564	0.6341	0.6295	24.6%	11.0%	11.8%
Takeover conversion value									
Value in the case of the Public Offering	4.98	5.05	5.05	0.6930	0.7040	0.7040			
Early repayment value (@ par value)									
In the case of a Change of Control	1.81	4.11	4.02	0.2524	0.5724	0.5599	174.5%	21.1%	23.8%

(1) Implied ratios based on Nokia reference share prices (Spot as of April 9, 2015, volume weighted average prices 1m, 3m, 6m and 12m, spot price corresponding to Alcatel bonds maximum and minimum values over the past 12 months) Implied ratios for theoretical value, takeover conversion value and early repayment value are based on Nokia Share price as of April 9, 2015.

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TAX CONSIDERATIONS

France Income Tax Consequences

According to Article 244 bis B and C of the French Tax Code, subject to the provisions of applicable international tax treaties, any capital gain realized from the transfer of Alcatel Lucent Securities in the context of the Exchange Offer by persons (i) who are not tax residents of France within the meaning of Article 4 B of the French Tax Code (i.e., natural persons who do not have their home or their main place of residence in France; who do not carry on in France, as their main professional activity, either as a self-employed person or as an employee, and who do not have the center of their main interests in France), or (ii) whose registered office is located outside France, will not be, in principle, subject to French tax unless either (A) they carry on a professional activity in France through a permanent establishment or a fixed base in France to which their Alcatel Lucent Securities are related, or (B) they have held, at any time during the five years preceding the transfer, directly or indirectly, alone or with related individuals, more than 25% of the shares or voting rights in Alcatel Lucent.

However, capital gains of persons or entities who are resident, established or incorporated outside France and in Non Cooperative States or Territories (NCST) within the meaning of Article 238-0 A of the French Tax Code, will be taxed at a flat rate of 75%, regardless of the percentage of shares or voting rights they hold in Alcatel Lucent. A list of the NCST is published in a French Ministerial Decree and updated annually.

Everyone should consult their own tax advisor about French income tax consequences.

United States Federal Income Tax Consequences

The following is a general discussion of the principal U.S. federal income tax consequences to U.S. holders (as defined below) of (i) the exchange of Alcatel Lucent Securities for Nokia Shares and Nokia ADSs (together Nokia Securities) pursuant to the Exchange Offer, (ii) the squeeze-out of outstanding Alcatel Lucent Securities, and (iii) the ownership of Nokia Securities received in the Exchange Offer or the squeeze-out of Alcatel Lucent Securities. The following discussion is based on the Internal Revenue Code, as amended (the Code), the U.S. Treasury regulations promulgated thereunder, and judicial and administrative authorities, rulings and decisions, all as in effect as of the date of this offer to exchange. These authorities may change, possibly with retroactive effect, and any such change could affect the accuracy of the statements and conclusions set forth in this discussion. This discussion does not address the 3.8% Medicare tax, any state or local tax consequences, nor does it address any U.S. federal tax considerations other than those pertaining to the U.S. federal income tax.

The following discussion applies only to U.S. holders of Alcatel Lucent Securities that (i) participate in the Exchange Offer, the Exchange Option or the squeeze-out of Alcatel Lucent Securities, and (ii) hold Alcatel Lucent Securities and will hold Nokia Securities as capital assets within the meaning of Section 1221 of the Code (generally, property held for investment). Further, this discussion does not purport to consider all aspects of U.S. federal income taxation that might be relevant to U.S. holders in light of their particular circumstances and does not apply to holders subject to special treatment under the U.S. federal income tax laws, such as:

- dealers or brokers in securities, commodities or foreign currencies;
- traders in securities that elect to apply a mark-to-market method of accounting;
- banks and certain other financial institutions;
- insurance companies;
- mutual funds;

- tax-exempt organizations;
- holders liable for the alternative minimum tax;
- partnerships or other pass-through entities or investors in partnerships or such other pass-through entities;
- regulated investment companies;
- real estate investment trusts;
- former citizens or residents of the United States;
- U.S. expatriates;
- holders whose functional currency is not the U.S. dollar;
- holders who hold Alcatel Lucent Securities or Nokia Securities as part of a hedge, straddle, constructive sale or conversion transaction or other integrated investment;
- a person who owns or has owned directly, indirectly or constructively, 10% or more of the voting stock of Alcatel Lucent prior to the Exchange Offer;
- holders who acquired Alcatel Lucent Securities or Nokia Securities pursuant to the exercise of employee stock options, through a tax qualified retirement plan or otherwise as compensation; or
- holders who exercise appraisal rights.

This discussion is based in part upon the representations of the Alcatel Lucent depositary and the Nokia depositary and the assumption that each obligation in the Alcatel Lucent deposit agreement (and any related agreement) and the Nokia deposit agreement (and any related agreement) will be performed in accordance with its terms, and that the representations contained in each deposit agreement are true. For U.S. federal income tax purposes, a holder of Nokia ADSs or Alcatel Lucent ADSs, as applicable, will be treated as the holder of the underlying Nokia Shares or Alcatel Lucent Shares, as applicable, represented by those ADSs. Accordingly, the following discussion, except where otherwise expressly noted, applies equally to U.S. holders of Nokia or Alcatel Lucent ADSs, on the one hand, and Alcatel Lucent or Nokia Shares on the other.

For purposes of this discussion, the term U.S. holder means a beneficial owner of Alcatel Lucent Securities or Nokia Securities, as the case might be, that is:

- a citizen or individual resident of the United States;

a corporation (or any other entity or arrangement treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof, or the District of Columbia;

a trust (A) the administration of which is subject to the primary supervision of a United States court and which has one or more U.S. persons, within the meaning of Section 7701(a)(3)) of the Code, who have the authority to control all substantial decisions of the trust, or (B) that otherwise has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person; or

an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source.

If an entity treated as a partnership for U.S. federal income tax purposes holds Alcatel Lucent Securities or Nokia Securities, the tax treatment of a partner will generally depend upon the status of the partner and the activities of the partnership. Each such partner having an interest in Alcatel Lucent Securities or Nokia Securities is urged to consult its own tax advisor.

U.S. holders should consult their own tax advisors regarding the U.S. federal, state, local and other tax consequences of the Exchange Offer, the Exchange Option and squeeze-out of Alcatel Lucent Securities, and of holding and disposing of Nokia Securities in their particular circumstances. Currently, reciprocal tax treaties, with protocols thereto, are in effect between the United States and Finland, and the United States and France. U.S. holders should consult their tax advisors with respect to the effect of such treaties (and their respective protocols) on the Exchange Offer, the Exchange Option and squeeze-out of Alcatel Lucent Securities, and the owning and disposing of Nokia Securities in their particular circumstances. Any reference to a squeeze-out in this section includes the applicable Exchange Option, where appropriate.

U.S. Federal Income Tax Consequences of Exchanging Alcatel Lucent Securities Pursuant to the Exchange Offer and the Squeeze-out of Alcatel Lucent Securities

Possible Characterizations of the Exchange of Alcatel Lucent Shares and Alcatel Lucent ADSs and the Squeeze-out of Alcatel Lucent Shares and Alcatel Lucent ADSs

The receipt of Nokia Securities by U.S. holders in exchange for Alcatel Lucent Shares or Alcatel Lucent ADSs pursuant to the Exchange Offer or the squeeze-out of Alcatel Lucent Shares and Alcatel Lucent ADSs is expected to be a taxable transaction for U.S. federal income tax purposes, and is not expected to qualify as a tax-free reorganization under any provision of the Code. If any U.S. holders receive cash in exchange for Alcatel Lucent Shares or Alcatel Lucent ADSs pursuant to the squeeze-out of Alcatel Lucent Shares or Alcatel Lucent ADSs (other than cash received pursuant to the mechanism put in place to sell fractional Nokia Shares or Nokia ADSs), such exchange also is expected to be a taxable transaction for U.S. federal income tax purposes.

The tax consequences to U.S. holders will depend, in part, on whether the exchange of Alcatel Lucent Shares and Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer and the subsequent squeeze-out of Alcatel Lucent Shares or Alcatel Lucent ADSs are treated as a single integrated transaction for U.S. federal income tax purposes. If the transactions are so treated, and any holders of Alcatel Lucent Shares or Alcatel Lucent ADSs receive cash in the squeeze-out in exchange for such Alcatel Lucent Shares or Alcatel Lucent ADSs (other than cash received pursuant to the mechanism put in place to sell fractional Nokia Shares or Nokia ADSs), then the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs pursuant to the Exchange Offer and the subsequent squeeze-out of Alcatel Lucent Shares or Alcatel Lucent ADSs will be taxable to all U.S. holders, regardless of whether such holders receive solely Nokia Securities in exchange for their Alcatel Lucent Shares or Alcatel Lucent ADSs (whether pursuant to the Exchange Offer or the squeeze-out). It is possible, however, that either (i) all holders of Alcatel Lucent Shares and Alcatel Lucent ADSs participate in the Exchange Offer (and thus receive solely Nokia Securities in exchange for their Alcatel Lucent Shares or Alcatel Lucent ADSs), or (ii) no holder of Alcatel Lucent Shares or Alcatel Lucent ADSs receives cash in exchange for such Alcatel Lucent Shares or Alcatel Lucent ADSs in the squeeze-out (other than cash received pursuant to the mechanism put in place to sell fractional Nokia Shares or Nokia ADSs) (although cash is the default consideration, such holder may elect to receive Nokia Securities in the squeeze-out). In either such event, the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs for Nokia Securities (whether pursuant to the Exchange Offer or the squeeze-out) would be tax-free.

Alternatively, if the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer and the squeeze-out of Alcatel Lucent Shares and Alcatel Lucent ADSs were treated as separate transactions for U.S. federal income tax purposes, then (i) if Nokia acquires Alcatel Lucent Shares and Alcatel Lucent ADSs constituting control (i.e., at least 80% of the combined amount of Alcatel Lucent Shares and Alcatel Lucent ADSs) pursuant to the Exchange Offer, then the exchange of Alcatel Lucent Shares and Alcatel Lucent ADSs for Nokia Securities pursuant to

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the Exchange Offer would be tax-free to U.S. holders, or (ii) if Nokia does not acquire Alcatel Lucent Shares or Alcatel Lucent ADSs constituting control pursuant to the Exchange Offer, then the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer would be a taxable transaction. The exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs in the squeeze-out (whether in exchange for cash or Nokia Securities) would in any case be a taxable transaction if any holder of Alcatel Lucent Shares or Alcatel Lucent ADSs received cash.

Possible Characterizations of the Exchange of OCEANEs and the Squeeze-out of OCEANEs

In both of the scenarios discussed above, if the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs for Nokia Securities (whether pursuant to the Exchange Offer or in the squeeze-out) were tax-free, the treatment of the exchange of OCEANEs would depend on whether the OCEANEs are considered securities for U.S. federal income tax purposes. There is no precise definition under U.S. federal income tax law of the term security, and all facts and circumstances pertaining to a debt instrument must be considered in determining whether it constitutes a security for U.S. federal income tax purposes. Generally, corporate debt obligations with original terms to maturity of less than five years do not constitute securities and corporate debt obligations with original terms to maturity of ten years or more do constitute securities for U.S. federal income tax purposes. Based on the terms of the OCEANEs, it is likely that the OCEANEs would not be treated as securities for U.S. federal income tax purposes. Accordingly, even if the exchange of Alcatel Lucent Shares or Alcatel Lucent ADSs (whether pursuant to the Exchange Offer or in the squeeze-out) were tax-free, the exchange of OCEANEs (whether for Nokia Securities pursuant to the Exchange Offer or for Nokia Securities or cash in the squeeze-out) would be a taxable transaction.

Possible Alternative Transactions

As described in The Transaction Intentions of Nokia over the next twelve months Squeeze-out, if Nokia acquires less than 95% of the Alcatel Lucent Securities pursuant to the Exchange Offer, Nokia reserves the right to enter into certain transactions to acquire the remaining Alcatel Lucent Securities, one of which would be to cause Alcatel Lucent to be merged into Nokia or an affiliate thereof. It is possible, depending on the terms of the transaction and the consideration paid, that such transaction may qualify as tax-free for U.S. federal income tax purposes, whether or not any such transaction were integrated with the exchange of Alcatel Lucent Shares and Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer. If such transaction is integrated with the exchange of Alcatel Lucent Shares and Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer and takes certain forms (including, potentially, the merger of Alcatel Lucent with and into certain affiliates of Nokia), it may cause the exchange by U.S. holders of Alcatel Lucent Shares and Alcatel Lucent ADSs for Nokia Securities pursuant to the Exchange Offer to be tax-free. Because the existence and terms of any such transaction cannot be known as of the Completion of the Exchange Offer, U.S. holders are urged to consult their tax advisors regarding the consequences that any such transaction may have.

Intended Characterization of the Exchange of Alcatel Lucent Securities and the Squeeze-out of Alcatel Lucent Securities

Nokia and Alcatel Lucent intend to take the position that the exchanges of Alcatel Lucent Securities for Nokia Securities pursuant to the Exchange Offer and the squeeze-out are treated as part of a single integrated transaction for U.S. federal income tax purposes and expect that such exchanges will be taxable. The remainder of this discussion assumes such treatment. Nevertheless, such position is not binding on the IRS or the courts, and the taxable nature of the transactions depends, in part, on facts that cannot be known as of the Completion of the Exchange Offer. Accordingly, U.S. holders are urged to consult their tax advisors regarding the consequences of the exchange of Alcatel Lucent Securities for Nokia Securities pursuant to the Exchange Offer or the receipt of cash or Nokia Securities in the squeeze-out of Alcatel Lucent Securities.

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U.S. Federal Income Tax Consequences of a Taxable Transaction

U.S. holders of Alcatel Lucent Securities generally will recognize gain or loss equal to the difference, if any, between (1) (i) the sum of the fair market value of Nokia Securities received by such U.S. holder in the Exchange Offer and any cash received in lieu of any fractional Nokia Securities to which such holder may otherwise be entitled, or (ii) the sum of the cash and fair market value of Nokia Securities (including any cash received in lieu of any fractional Nokia Securities to which such holder may otherwise be entitled) received by such U.S. holder in the squeeze-out of Alcatel Lucent Securities, as applicable, and (2) such U.S. holder s adjusted tax basis in the Alcatel Lucent Securities surrendered in exchange therefor. For this purpose, U.S. holders of Alcatel Lucent Securities must calculate gain or loss separately for each identified block of Alcatel Lucent Securities exchanged (that is, Alcatel Lucent Securities acquired at the same cost in a single transaction).

A U.S. holder s gain or loss in Alcatel Lucent Securities generally will be capital gain or loss. Non-corporate U.S. holders, including individuals, who have held the Alcatel Lucent Securities for more than one year will be eligible for reduced tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as U.S. source income or loss for foreign tax credit limitation purposes.

For U.S. federal income tax purposes, a U.S. holder s aggregate tax basis in the Nokia Securities received pursuant to the offer will be equal to the fair market value of the Nokia Securities received by such U.S. holder on the date Alcatel Lucent Securities are exchanged pursuant to the exchange offer, and a U.S. holder s holding period with respect to such Nokia Securities will begin on the day following the date such U.S. holder s Alcatel Lucent Securities are exchanged pursuant to the Exchange Offer.

U.S. federal income tax law does not specifically identify how U.S. holders should determine the fair market value of the Nokia Securities on the date of exchange. Fair market value generally is the price at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the facts. There are several possible methods of measuring such value, including: (i) the opening trading price of Nokia Securities quoted on NYSE or the Nasdaq Helsinki Ltd. on the first regular trading day after the exchange; (ii) the average of the high and low trading price of Nokia Securities quoted on NYSE or the Nasdaq Helsinki Ltd. on the first regular trading day after the exchange; and (iii) the closing trading price of Nokia Securities quoted on NYSE or the Nasdaq Helsinki Ltd. on the first regular trading day after the exchange. U.S. holders should consult their tax advisors with respect to the determination of the fair market value of the Nokia Securities as of the date of the exchange.

U.S. holders of Alcatel Lucent Securities should consult their tax advisors as to the specific tax consequences of the receipt of Nokia Securities in exchange for Alcatel Lucent Securities pursuant to the Exchange Offer, and the receipt of cash and/or Nokia Securities pursuant to the squeeze-out of Alcatel Lucent Securities, in each case, including the applicability and effect of the alternative minimum tax and any state, local, foreign and other tax laws.

The discussion in this section assumes that Alcatel Lucent is not, and has not been at any time during the holding period of a U.S. holder that disposes of Alcatel Lucent Securities pursuant to the Exchange Offer or the squeeze-out, a passive foreign investment company (PFIC) for U.S. federal income tax purpose. If Alcatel Lucent were a PFIC or had been a PFIC at any time during the holding period of a U.S. holder that disposes of Alcatel Lucent Securities pursuant to the Exchange Offer or the squeeze-out, the U.S. federal income tax consequences to such holder would be different from those described above. U.S. holders are urged to consult their own tax advisors regarding whether Alcatel Lucent is or has been, during such U.S. holders holding period of their Alcatel Lucent Securities, a PFIC and regarding the tax consequences to them of such status of Alcatel Lucent.

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U.S. Federal Income Tax Consequences of Ownership of Nokia Securities

Taxation of Dividends and Other Distributions on Nokia Securities

Subject to the PFIC rules discussed below, the gross amount of distributions made to a U.S. holder with respect to Nokia Securities generally will be included in such U.S. holder s gross income as ordinary dividend income on the date of actual or constructive receipt by the depositary, in the case of Nokia ADSs, or by a U.S. holder, in the case of Nokia Shares, but only to the extent that the distribution is paid out of our current or accumulated earnings and profits (as determined under U.S. federal income tax principles). Because we do not maintain records of earnings and profits in accordance with U.S. Federal income tax principles, U.S. holders should expect that the full amount of any distribution will be reported as dividend. Dividends will not be eligible for the dividends-received deduction allowed to corporations.

Under the Finnish Income Tax Act and the Act on Taxation of Non-residents Income, non-residents of Finland are generally subject to a withholding tax at a rate of 30% for non-corporate taxpayers, and 20% for corporate taxpayers, payable on dividends paid by a Finnish resident company. However, pursuant to the Convention between the Government of the United States of America and the Government of the Republic of Finland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income and on Capital, as amended (the U.S.-Finland Treaty), dividends paid to U.S. holders generally will be subject to Finnish withholding tax at a reduced rate of 15% of the gross amount of the dividend (see Tax Considerations Finnish Income Tax Consequences of Ownership and Disposal of Nokia Securities).

Provided that certain holding period and other requirements are met, certain non-corporate U.S. holders are eligible for reduced rates of U.S. federal income tax at a maximum rate of 20% in respect of qualified dividend income. Dividends paid with respect to Nokia Securities generally will be qualified dividend income if we were not, in the year prior to the year in which the dividend was paid, and are not, in the year in which the dividend is paid, a PFIC. We currently believe that dividends paid with respect to Nokia Securities will constitute qualified dividend income for U.S. federal income tax purposes; however, this is a factual matter and is subject to change. U.S. holders of Nokia Securities are urged to consult their own tax advisors regarding the availability to them of the reduced dividend tax rate.

For U.S. foreign tax credit purposes, dividends will generally be treated as income from foreign sources and will constitute passive category income. Depending on a U.S. holder s particular facts and circumstances, a U.S. holder may be eligible to claim a foreign tax credit in respect of Finnish income taxes withheld with respect to dividends received on Nokia Securities. If a U.S. holder does not elect to claim a foreign tax credit for foreign taxes withheld, such U.S. holder may be permitted instead to claim a deduction in respect of such withholding taxes, but only for a year in which such U.S. holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex and their outcome depends in large part on each U.S. holder s particular facts and circumstances. Accordingly, U.S. holders should consult their own tax advisors regarding the availability and computation of the foreign tax credit in light of their own particular circumstances.

Dividends paid in euros will be included in a U.S. holder s income on the date of such U.S. holder s (or in the case of ADSs, the depositary s) receipt of the dividend in an amount equal to the U.S. dollar value of the dividends paid (determined at the spot euro/U.S. dollar rate on the date the dividend distribution is includible in the U.S. Holder s income), regardless of whether the payment is in fact converted into U.S. dollars at that time. Generally, any gain or loss resulting from currency exchange rate fluctuations during the period between the time such payment is received and the date the dividend payment is converted into U.S. dollars will be treated as U.S. source ordinary income or loss to a U.S. holder.

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Sale or Other Disposition of Nokia Securities

Subject to the PFIC rules discussed below, U.S. holders will recognize taxable gain or loss on any sale, exchange or other taxable disposition (a Disposition) of Nokia Securities equal to the difference, if any, between the amount realized on the Disposition of Nokia Securities and a U.S. holder s tax basis in such Nokia Securities (determined as discussed above in U.S. Federal Income Tax Consequences of the Exchange Offer and the Squeeze-out of Alcatel Lucent Securities). Such gain or loss generally will be capital gain or loss. Non-corporate U.S. holders, including individuals, who have held the Nokia Securities for more than one year as of the date of Disposition will be eligible for reduced tax rates. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as U.S. source income or loss for foreign tax credit limitation purposes.

Passive Foreign Investment Company Rules

We believe that we were not classified as a PFIC for U.S. federal income tax purposes for our taxable year ended December 31, 2014 and we do not expect to be classified as a PFIC for our current taxable year or in the foreseeable future. U.S. holders are advised, however, that this conclusion is a factual determination that must be made annually and thus may be subject to change.

If we were a PFIC, a U.S. holder of Nokia Securities generally may be subject to imputed interest charges and other disadvantageous tax treatment with respect to any gain from the sale or exchange of Nokia Securities and certain distributions with respect to Nokia Securities.

If we were a PFIC, certain information reporting consequences would apply and certain elections (including a mark-to-market election) may be available to U.S. holders with respect to Nokia Securities that may mitigate some of the adverse tax consequences resulting from PFIC treatment. U.S. holders should consult their tax advisers regarding the application of the PFIC rules to an investment in Nokia Securities.

Foreign Asset Reporting

Certain U.S. holders who are individuals are required to report information relating to an interest in Nokia Securities, subject to certain exceptions (including an exception for securities held in accounts maintained by financial institutions), by filing IRS Form 8938 (Statement of Specified Foreign Financial Assets) with their federal income tax return. U.S. holders are urged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of Nokia Securities.

Finland

The following is a general discussion of the Finnish tax consequences to U.S. holders of Alcatel Lucent Securities exchanged for Nokia Securities pursuant to this Exchange Offer. The description below is applicable to holders non-resident in Finland for the purposes of Finnish domestic tax legislation, and resident in the United States for the purposes of the U.S.-Finland Treaty.

The following description does not address tax considerations applicable to the holders of the Nokia Shares that may be subject to special tax rules, including, among others, controlled foreign corporations, income tax-exempt entities and general or limited partnerships.

This description is based on:

- The Finnish Income Tax Act (1535/1992), as amended;

- The Finnish Act on Taxation of Non-residents Income (627/1978), as amended;

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The Finnish Transfer Tax Act (931/1996), as amended; and

U.S.-Finland Treaty.

In addition, relevant Finnish case law as well as decisions and statements made by the Finnish tax authorities in effect and available on the date of this exchange offer/prospectus have been taken into account.

All of the foregoing is subject to change, which could apply retroactively and could affect the tax consequences described below.

Finnish Income Tax Consequences of Ownership and Disposal of Nokia Securities

Taxation of Dividends and Other Distributions on Nokia Securities

As of tax year 2014, distributions of funds from reserves of unrestricted equity (as defined in the Finnish Companies Act, Chapter 13, Section 1, point 1) by a publicly listed company (as defined in the Finnish Income Tax Act, Section 33 a, Sub-section 2, a Listed Company) are taxed as distributions of dividends. Therefore, references to the taxation of dividends in the following also apply to distributions of funds from reserves of unrestricted equity.

Under the Finnish Income Tax Act and the Finnish Act on Taxation of Non-residents Income, dividends paid by a Finnish Listed Company to non-resident shareholders are subject to Finnish withholding tax. The withholding tax as a final tax at source is withheld by the company distributing the dividend at the time of the dividend payment. Unless otherwise set forth in an applicable tax treaty, the withholding tax rate for a dividend received by a non-resident individual shareholder is 30%, and the withholding tax rate for a dividend received by a non-resident company is 20%.

Under the U.S.-Finland Treaty the withholding tax rate on dividends paid to persons entitled to the benefits under the treaty is reduced. In general, the Finnish withholding tax rate on dividend distributions regarding portfolio shares is reduced to 15%, and a further reduction to 5% is available to corporate shareholders for dividend distributions on qualifying holdings (direct ownership of at least 10% of the voting rights of the distributing company). The reduced withholding tax rate will be available if the recipient of the dividend has provided the payer of the dividend the necessary details on the applicability of the tax treaty. The details needed to benefit from the lower rates set out in the tax treaty, are i) recipient s name, ii) date of birth or identity code number, iii) any other official identification code, iv) recipient s address in the U.S. and v) a certificate confirming the recipient s tax residency in the U.S.

Further, where Nokia Shares, including Nokia Shares held through Nokia ADSs, are held through a nominee account, the withholding tax rate on the dividend is 15% provided that the payer (the dividend distributing company or the Finnish custodian bank) with adequate diligence has ensured that the provisions of the U.S.-Finland Treaty are applicable to the beneficial owner. In effect, the foreign custodian must be registered in the custodian register maintained by the Finnish Tax Administration and resident in a country with which Finland has a tax treaty. Further, the foreign custodian must have an agreement with the Finnish account operator with regard to the custody of the shares, whereby, *inter alia*, the foreign custodian commits to provide to the account operator information regarding the state of residence of the beneficial owner as well as the applicability of the U.S.-Finland Treaty to such beneficial owner. Should the beneficial owner of the dividend, by virtue of the U.S.-Finland Treaty, be entitled to a withholding tax rate lower than 15%, the application of such rate is subject to the provision of more detailed information regarding the identity of the beneficial owner (as further defined in the Act on Taxation of Non-residents Income and guidelines of the Finnish Tax Administration). In case the required information is not provided, a withholding tax of 30% will be imposed on dividends paid in respect of Nokia Shares held through a nominee account.

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Sale or Other Disposition of Nokia Shares

Under the Finnish Income Tax Act and the Finnish Act on Taxation of Non-residents Income, non-residents who are not subject to unlimited tax liability in Finland are not subject to Finnish tax on capital gains realized on the sale or other disposition of the Nokia Securities, unless the non-resident tax payer is deemed to have a permanent establishment for income tax purposes in Finland and the Nokia Securities are considered assets of such permanent establishment.

Finnish Transfer Tax

A transfer tax of 1.6% is generally applicable to transfers of shares issued by an entity organized in Finland (and certain other Finnish securities), subject to several exceptions. For example, Finnish transfer tax is generally not applicable to transfers where both parties are non-residents or to the issuance / subscription of new shares. The exchange of Alcatel Lucent Securities for Nokia Securities is not subject to Finnish transfer tax, as the Nokia Shares issued as consideration will be newly issued Nokia Shares.

Furthermore, subsequent transfers of Nokia Securities generally should not be subject to transfer tax, as the transfer tax is generally not payable on the transfer of shares subject to public trading against a fixed cash consideration. The exemption is applicable provided that (i) an investment service company or a foreign investment service company or another investment service provider, as defined in the Finnish Act on Investment Services (747/2012), is brokering or serving as a party to the transaction, or (ii) the transferee has been approved as a trading party in the market where the transfer is executed. If the broker or other party to the transfer is not a Finnish investment firm, Finnish credit institution or Finnish branch or office of a foreign investment firm or credit institution, the transfer will be exempt from transfer tax provided that the transferee (liable for the tax) notifies the Finnish tax authorities of the transfer within two months thereof or the broker submits an annual declaration concerning the transfer to the Finnish Tax Administration as set forth in the Act on Assessment Procedure. The tax exemption does not apply to transfers executed as equity investments (for example as contribution in kind) or distributions of funds (for example shares paid as dividends), transfers in which consideration comprises in full or in part of work performed, or to certain other transfers set out in the Finnish Transfer Tax Act.

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THE COMPANIES

Nokia

Nokia is a Finnish Corporation, established in 1865 and organized under the laws of the Republic of Finland. The company is registered with the Finnish Trade Register under the business identity code 0112038-9. Under its articles of association in effect on the date of this exchange offer/prospectus, Nokia s corporate purpose is to engage in the telecommunications industry and other sectors of the electronics industry as well as the related service businesses, including the development, manufacture, marketing and sales of mobile devices, other electronic products and telecommunications systems and equipment as well as related mobile, Internet and network infrastructure services and other consumer and enterprise services. Nokia may also create, acquire and license intellectual property and software as well as engage in other industrial and commercial operations. Further, Nokia may engage in securities trading and other investment activities.

Nokia is currently focused on three businesses: network infrastructure software, hardware and services, which is offered through Nokia Networks; mapping and location intelligence, which is provided through HERE; and advanced technology development and licensing, which is pursued through Nokia Technologies. Through its three businesses, Nokia has a global presence, with operations and research and development (R&D) facilities in Europe, North America and Asia, sales in approximately 140 countries, and employs approximately 62 000 people. Nokia is also a major investor in R&D, with expenditure through its three businesses exceeding EUR 2.5 billion in 2014.

On August 3, 2015, Nokia announced an agreement to sell its HERE digital mapping and location services business to a consortium of leading automotive companies, comprising AUDI AG, BMW Group and Daimler AG. The transaction values HERE at an enterprise value of EUR 2.8 billion with a normalized level of working capital and is expected to close in the first quarter of 2016, subject to customary closing conditions and regulatory approvals. Upon closing, Nokia estimates that it will receive net proceeds of slightly above EUR 2.5 billion, as the purchaser would be compensated for certain defined liabilities of HERE currently expected to be slightly below EUR 300 million as part of the transaction. Upon closing of the HERE transaction, which does not affect the exchange ratio of this Exchange Offer, and assuming that the Exchange Offer has not yet been completed, Nokia will consist of two businesses: Nokia Networks and Nokia Technologies.

It is currently expected that after the Completion of the Exchange Offer, Networks business would be conducted through four business groups: Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. These business groups would provide an end-to-end portfolio of products, software and services to enable the combined company to deliver the next generation of leading networks solutions and services to customers. Alongside these, Nokia Technologies would continue to operate as a separate business group. Each business group would have strategic, operational and financial responsibility for its portfolio and would be fully accountable for meeting its targets. The four Networks business groups would have a common Integration and Transformation Office to drive synergies and to lead integration activities. The business group leaders would report directly to Nokia s President and Chief Executive Officer:

Mobile Networks (MN) would include Nokia s and Alcatel Lucent s comprehensive Radio portfolios and most of their converged Core network portfolios including IMS/VoLTE and Subscriber Data Management, as well as the associated mobile networks-related Global Services business. This unit would also include Alcatel Lucent s Microwave business and all of the combined company s end-to-end Managed Services business. Through the combination of these assets, Mobile Networks would provide leading end-to-end mobile networks solutions for existing and new platforms, as well as a full suite of professional services and product-attached services.

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Fixed Networks (FN) would comprise the current Alcatel Lucent Fixed Networks business, whose cutting-edge innovation and market position would be further supported through strong collaboration with the other business groups. This business group would provide copper and fiber access products and services to offer customers ultra-broadband end-to-end solutions to transform their networks, deploying fiber to the most economical point.

Applications & Analytics (A&A) would combine the Software and Data Analytics-related operations of both companies. This comprehensive applications portfolio would include Customer Experience Management, OSS as distinct from network management such as service fulfilment and assurance, Policy and Charging, services, Cloud Stacks, management and orchestration, communication and collaboration, Security Solutions, network intelligence and analytics, device management and Internet of Things connectivity management platforms. CloudBand would also be housed in this business group, which would drive innovation to meet the needs of a convergent, Cloud-centric future.

IP/Optical Networks (ION) would combine the current Alcatel Lucent IP Routing, Optical Transport and IP video businesses, as well as the software defined networking (SDN) start-up, Nuage, plus Nokia s IP partner and Packet Core portfolio. IP/Optical Networks would continue to drive Alcatel-Lucent s technology leadership, building large scale IP/Optical infrastructures for both service providers and, increasingly, web-scale and tech-centric enterprise customers.

Nokia Technologies (TECH) would remain as a separate entity with a clear focus on licensing and the incubation of new technologies. Nokia Technologies would continue to have its own innovation, product development and go-to-market operations.

We expect to align our financial reporting under two key areas: Nokia Technologies and the Networks business. The Networks business would comprise the business groups of Mobile Networks, Fixed Networks, Applications & Analytics and IP/Optical Networks. We also expect to provide selective financial data separately for each of the four Networks business groups to ensure transparency for investors over the performance of each of them.

Nokia s registered office and its principal executive office is Karaportti 3, FI-02610 Espoo, Finland, and the telephone number is +358 (0) 10-448-8000.

Nokia Shares are traded on the Nasdaq Helsinki under the symbol NOKIA and Nokia ADSs are traded on the NYSE under the symbol NOK. In addition, application has been made for Admission of the Nokia Shares to Euronext Paris. Subject to the Completion of the Exchange Offer, Nokia expects to request that the Admission be approved to take effect following the completion of the Exchange Offer. As of September 30, 2015, 3 678 641 891 Nokia Shares were outstanding (including 53 402 251 Nokia Shares owned by Nokia group companies and 438 697 711 Nokia Shares represented by Nokia ADSs).

The terms of the Convertible Bond allow Nokia to redeem the bond at any time after November 25, 2015 for cash at its principle amount, together with accrued but unpaid interest until the redemption date. The redemption is conditional on the volume weighted average price of the Nokia Shares during a specified period immediately prior to the date of the notice of redemption being equal to or exceeding 150% of the conversion price for the Convertible Bond. On October 8, 2015, Nokia announced that it had decided to exercise its option to redeem the Convertible Bond on November 26, 2015. It is expected that the notice of redemption of the Convertible Bond will result in the full conversion of the bond into Nokia Shares by the holders of the bonds which at the conversion price of EUR 2.39 per Nokia Share would result in the issuance of 313 723 849 Nokia Shares (assuming full conversion) and would, represent approximately 5.2% of the issued and outstanding Nokia Shares after Completion of the Exchange Offer and assuming that all Alcatel Lucent Securities are tendered into the Exchange Offer or the subsequent offering period, if any.

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Additional information about Nokia and its subsidiaries is included in the documents incorporated by reference into this exchange offer/prospectus. For more information about how to obtain copies of this information, see the Where You Can Find More Information section of this exchange offer/prospectus.

Nokia Shares and Nokia ADSs

The following tables set forth, for April 13, 2015, the date immediately prior to the public announcement of discussions related to the possible business combination between Nokia and Alcatel Lucent, April 14, 2015, the date immediately prior to the public announcement of the execution of the Memorandum of Understanding and November 10, 2015, the most recent practicable trading day prior to the commencement of the Exchange Offer, the reported closing prices for Nokia Shares on the Nasdaq Helsinki and the reported closing prices for Nokia ADSs on the NYSE.

	Nasdaq Helsinki	NYSE
April 13, 2015	7.77	$ 8.30
April 14, 2015	7.49	$ 7.96
November 10, 2015		$

The following tables set forth, for the periods indicated, the reported closing prices for Nokia Shares on the Nasdaq Helsinki and the reported closing prices for Nokia ADSs on the NYSE.

	Nasdaq Helsinki		NYSE	
	High	Low	High	Low
	(EUR per Nokia Share)		(USD per Nokia ADS)	
Annual highs and lows				
2010	11.69	6.61	$ 15.65	$ 8.02
2011	8.23	3.42	11.73	4.51
2012	4.41	4.37	5.80	1.69
2013	5.97	2.31	8.11	3.07
2014	6.83	5.02	8.66	6.66
2015 (through November 10, 2015)				
Quarterly highs and lows				
2013:				
First quarter	3.49	2.47	$ 4.70	$ 3.26
Second quarter	2.96	2.31	3.93	3.07
Third quarter	4.95	2.93	6.71	3.83
Fourth quarter	5.97	4.72	8.11	6.49
2014:				
First quarter	5.96	5.02	$ 8.18	$ 6.66
Second quarter	5.97	5.14	8.33	7.03
Third quarter	6.82	5.38	8.66	7.38
Fourth quarter	6.83	6.03	8.51	7.67
2015:				
First quarter	7.35	6.37	$ 8.08	$ 7.43
Second quarter	7.77	5.71	8.30	6.38
Third quarter	6.43	5.11	7.05	5.87
Fourth quarter (through November 10, 2015)				

	Nasdaq Helsinki		NYSE	
	High	Low	High	Low
	(EUR per Nokia Share)		(USD per Nokia ADS)	
Monthly highs and lows				
2015:				
May	6.79	5.71	7.38	6.38
June	6.67	6.09	7.36	6.85
July	6.43	5.94	7.05	6.32
August	6.39	5.10	6.93	5.87
September	6.10	5.47	6.78	6.11
October	6.77	5.95	7.42	6.58
November (through November 10, 2015)				

Nokia Shareholders

Nokia Shares Ownership of Certain Beneficial Owners

The following table sets forth information, as of December 31, 2014, concerning the beneficial ownership of each person known to us to beneficially own more than 5% of Nokia Shares (either directly or through Nokia ADSs). The information in the table and the related notes is based on statements filed by the respective beneficial owners with the SEC pursuant to Sections 13(d) and 13(g) under the Exchange Act.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership(1)	Percent of Class(2)
BlackRock Inc.		
55 East 52nd Street, New York, NY 10022	188 661 118	5.04%

(1) Unless otherwise indicated, beneficial ownership consists of sole power to vote or direct the vote and sole power to dispose or direct the disposition of the shares listed.

(2) Unless otherwise indicated, percentages calculated based upon Nokia Shares outstanding as of December 31, 2014 and beneficial ownership of Nokia Shares as set forth in the statements on Schedule 13G filed by the respective beneficial owners with the SEC.

Nokia Shares Ownership of Directors and Management

The following table sets forth information, as of June 30, 2015, concerning the beneficial ownership of Nokia Shares by:

each Nokia director and certain Nokia executive officers; and

all Nokia directors and executive officers as a group.

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Name of Beneficial Owner	Nokia Shares Owned Directly or Indirectly(2)	Amount and Nature of Beneficial Ownership(1) Nokia Shares that Can Be Acquired Within 60 Days(3)	Total Nokia Shares	Percent of Class
Risto Siilasmaa	992 334	N/A	992 334	*
Jouko Karvinen	72 723	N/A	72 723	*
Vivek Badrinath	19 255	N/A	19 255	*
Bruce Brown	74 847	N/A	74 847	*
Elizabeth Doherty	30 754	N/A	30 754	*
Simon Jiang	8 666	N/A	8 666	*
Elizabeth Nelson	87 308	N/A	87 308	*
Kari Stadigh	128 558	N/A	128 558	*
Rajeev Suri	29 722	N/A	29 722	*
Samih Elhage	0	N/A	0	*
Sean Fernback	0	N/A	0	*
Ramzi Haidamus	0	N/A	0	*
Timo Ihamuotila	195 055	315 000	510 055	*
All directors and executive officers as a group (16 persons)	1 639 222	315 000	1 954 222	*

* Less than 1%

(1) Unless otherwise indicated, beneficial ownership consists of sole power to vote or direct the vote and sole power to dispose or direct the disposition of the shares listed, either individually or jointly or in common with the individual s spouse, subject to community property laws where applicable.

(2) Includes Nokia Shares held through Nokia ADSs.

(3) The shares indicated in this column represent shares underlying stock options granted under Nokia 2007 and 2011 stock option plans that have already vested or that will vest within 60 days.

Taxation of Nokia

The following is a general discussion of the Finnish corporate taxation regarding especially publicly listed limited liability companies. The following is applicable to Nokia as it is a publicly listed limited liability company, regarded as a separate entity for Finnish taxation purposes.

This description is based on:

- The Finnish Business Income Tax Act (360/1968), as amended;
- The Finnish Income Tax Act (1535/1992), as amended;
- The Finnish Act on Elimination of International Double Taxation (1552/1995), as amended;
- The Finnish Real Estate Tax Act (654/1992), as amended;
- The Finnish Public Broadcasting Company Tax Act (484/2012), as amended; and

The Finnish Act on Group Contribution (825/1986), as amended.

Nokia has its residence in Finland for taxation purposes, is registered in Finland and incorporated under Finnish Law. Pursuant to Section 9 of the Finnish Income Tax Act, Finnish resident companies are taxable in Finland on their worldwide income. Foreign-source income and capital gains (including those from permanent establishments) are grossed up by foreign taxes paid and included in the income taxable in Finland.

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Under the Finnish Business Income Tax Act, the corporate profits of Nokia are subject to national corporate income tax. As of the tax year 2014, the corporate tax rate in Finland was 20%.

In 2014, Nokia Corporation s income taxes (i.e. the income taxes of the parent company of the Nokia group) amounted to a net income tax benefit of EUR 58 million, a change of EUR 81 million compared to a net income tax expense of EUR 23 million in 2013. The current income tax expense was EUR 149 million for the year ended December 31, 2014, compared to EUR 23 million for the year ended December 31, 2013. The net income tax benefit was attributable to the recognition of EUR 207 million of deferred tax assets. In 2013, no deferred tax assets were recognized.

As for Nokia group, in 2014 income taxes for continuing operations amounted to a net income tax benefit of EUR 1 408 million, a change of EUR 1 610 million compared to a net expense of EUR 202 million in 2013. The current income tax expense for continuing operations was EUR 374 million for the year ended December 31, 2014, compared to EUR 354 million for the year ended December 31, 2013. The net income tax benefit was attributable to the recognition of EUR 1 782 million of deferred tax assets. In 2013, deferred tax assets of EUR 152 million were recognized.

The income tax expense comprises current income tax and deferred income tax. Current income taxes are based on the results of the company and calculated according to Finnish tax rules. Deferred tax assets and liabilities are calculated for temporary differences between tax bases and book values using the tax rate for future years as enacted at the statement of financial position date. Deferred tax liabilities are recognized in full. Deferred income tax assets are recognized at the probable amount estimated to be received.

Judgment is required in determining current tax expense, uncertain tax positions, deferred tax assets and deferred tax liabilities, and the extent to which deferred tax assets can be recognized. Estimates are based on forecasted future taxable income and tax planning strategies. Liabilities for uncertain tax positions are recorded based on estimates and assumptions on the amount and likelihood of outflow of economic resources and the timing of payment when it is more likely than not that certain positions will be challenged and may not be fully sustained upon review by tax authorities.

Additionally, Nokia is liable to pay municipal real estate tax (tax rate varies between municipalities and type of immovable property), value added tax and a public broadcasting service tax which amounts to a maximum of EUR 3 000 per annum. No net wealth tax is imposed in Finland.

The main income categories in Finland are business income, income from agriculture and forestry and other income. As a general rule, all business related income, received in the form of money or a benefit of monetary value is taxable business income. Correspondingly, expenses incurred in obtaining or preserving business income, which is subject to taxation, are deductible. However, several exceptions to this rule exist. Capital gains (relating to the business carried out) are generally taxable as ordinary business income. Capital gains are taxed at the general corporate tax rate of 20%. According to Section 6b of the Finnish Business Income Tax Act, a participation exemption is granted for gains on the sale of shares under certain circumstances.

According to Section 6a of the Finnish Business Income Tax Act, dividends that a resident publicly listed company receives from another resident company or from a foreign company listed in article 2 of the Council Directive 2011/96/EU (as amended by Directive 2013/13/EU) are not taxable income of the receiving company. Dividends received from other company resident in the EEA are tax exempt if the company is subject to at least 10% tax on the income, the dividends are paid out in its state of residence without being tax exempt or having an option not to be taxed and the distributing company s residence for tax purposes is in that country and its residence under an applicable tax treaty is not outside the EEA. However, 75% of the income is taxable and 25% tax-exempt, if the dividends are received from a foreign company listed in the second Article of the Council Directive 2011/96/EU, the shares belong to the receiving company s investment assets and the receiving company owns directly less than 10% of the shares in the distributing company at the time of the distribution of dividends. The same applies to dividends from the investment asset shares of resident companies (applicable despite the shareholding would exceed 10%) and of other foreign companies resident in the EEA.

Pursuant to Section 119 of the Finnish Income Tax Act, where net business income is negative, ordinary losses may be carried forward to be set off against business income for the following ten years. Capital losses from the disposal of business assets constitute part of the ordinary losses in the business income category. Under Section 50 of the Finnish Income Tax Act, capital losses from the disposal of other than business assets must be set off against the capital gains in the other income category in the same financial year or in the following five years. However, capital losses incurred on shares are not deductible if the corresponding gains would be tax-exempt under Section 6b of the Finnish Business Income Tax Act. Losses incurred by a foreign permanent establishment can be deducted by the resident head office, provided that Finland applies the credit method for the elimination of double taxation (see below). The right to carry forward tax losses in publicly listed companies (and their Finnish subsidiaries) is not affected by any changes of ownership in a company s publicly listed shares.

In Finland, whether a company is part of a group of companies does not directly affect the company s taxation. However, under certain circumstances tax-deductible group contributions are available for limited liability companies under the Act on Group Contribution.When the requirements of the Act on Group Contribution are fulfilled, the group contribution is tax-deductible for the contributing company and taxable income for the receiving company. Pursuant to Sections 3 and 7 of the aforementioned act, in order to qualify, both companies must be resident in Finland and there must be at least 90-percent ownership, direct or indirect, from the beginning of the tax year. Group contributions may also be received or granted by a Finnish branch of a company resident in the European Union or in a country that has concluded a double tax treaty with Finland (including an article on non-discrimination). Under Section 3 of the Act on Group Contribution, group contributions can be credited in both ways (from a parent company to a subsidiary and vice versa), as well as horizontally between sister companies. The granted group contributions may not exceed the taxable income of the contributing company in the tax year (Section 6 of the Act on Group Contribution). Pursuant to Section 5 of the Act on Group Contribution, the group contribution is tax-deductible only if the corresponding deduction is made in the books of the contributing company and if the receiving company books the contribution as its taxable income during the tax year in which the deduction is made in the contributing company. In addition, under Section 7 of the aforementioned act, the financial year of the companies must end on the same day.

In order to avoid double taxation of the foreign-source business income, Finland typically applies the credit method (Section 2 of the Act on Elimination of International Double Taxation). Foreign national taxes on income may be credited against the Finnish corporate income tax (based on recent Finnish court praxis, also other national taxes may be credited in Finland on a case-by-case basis). Under Section 4 of the Finnish Act on Elimination of International Double Taxation the amount of tax credit is limited to the amount of the Finnish tax that is attributable to the income taxed abroad. Pursuant to Section 5 of the aforementioned act tax credits are also computed separately for each source of income and unused credits may be carried forward for five years. The regime does not limit the benefits granted under a tax treaty. The exemption method, governed by Section 6 of the Finnish Act on Elimination of International Double Taxation is applicable only if a tax treaty provides so, which is the case for business income under a few older tax treaties concluded by Finland. Under the exemption method, the exempted income is not included in the taxable income of the company.

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Alcatel Lucent

Alcatel Lucent is a French *société anonyme*, established in 1898, originally as a listed company named Compagnie Générale d Électricité. Alcatel Lucent is registered at the Nanterre Trade and Companies Registry under number 542 019 096. Its APE business activity code is 7010Z. Alcatel Lucent s corporate purpose is the design, manufacture, operation and sale of all equipment, material and software related to domestic, industrial, civil, military or other applications concerning electricity, telecommunications, computers, electronics, aerospace industry, nuclear energy, metallurgy, and, in general, of all the means of production or transmission of energy or communications (cables, batteries and other components), as well as, secondarily, all activities relating to operations and services in connection with the above-mentioned means worldwide. It may acquire interests in any company, regardless of its form, in associations, French or foreign business groups, whatever their corporate purpose and activity may be and, in general, may carry out any industrial, commercial, financial, assets or real estate transactions, in connection, directly or indirectly, totally or partially, with any of the corporate purposes set out in Article 2 of its articles of association and with all similar or related purposes.

Alcatel Lucent currently has two operating segments: Core Networking and Access. Until March 2014, Alcatel Lucent had a third operating segment: Other. The Core Networking segment includes three business divisions: IP Routing, IP Transport and IP Platforms. In 2014, revenues in the Core Networking segment were EUR 5.97 billion, representing 45% of Alcatel Lucent s total revenues. The Access segment includes four business divisions: Wireless, Fixed Access, Licensing and Managed Services. In 2014, revenues in the Access segment were EUR 7.16 billion, representing 54% of Alcatel Lucent s total revenues. Until 2014, the Other segment included the government business, which built and delivered complete turnkey solutions in support of U.S. federal government agencies in the U.S. On March 31, 2014, Alcatel Lucent completed the disposal of LGS Innovations LLC. In 2014 revenues in Alcatel Lucent s Other segment were EUR 41 million, representing less than 1% of Alcatel Lucent s total revenues. On October 6, 2015, Alcatel Lucent announced it would continue to operate its undersea cable business, Alcatel-Lucent Submarine Networks, as a wholly-owned subsidiary.

Alcatel Lucent s principal office is located at 148/152 Route de la Reine 92100 Boulogne-Billancourt, France, and the telephone number is +33 (0)1 55 14 10 10.

The Alcatel Lucent Shares are traded on Euronext Paris under the symbol ALU and Alcatel Lucent ADSs are traded on the NYSE under the symbol ALU. As of October 29, 2015, 2 840 382 376 Alcatel Lucent Shares were outstanding (including 40 115 700 Alcatel Lucent Shares held in treasury by Alcatel Lucent and 472 058 361 Alcatel Lucent Shares represented by Alcatel Lucent ADSs). The OCEANEs are traded on Euronext Paris, under the symbol YALU for the 2018 OCEANEs, YALU1 for the 2019 OCEANEs and YALU2 for the 2020 OCEANEs. As of October 29, 2015, 349 413 670 2018 OCEANEs, 167 500 000 2019 OCEANEs and 114 499 995 2020 OCEANEs were outstanding. On September 2, 2015, Alcatel Lucent s wholly owned subsidiary, Alcatel-Lucent USA Inc., announced it had accepted for purchase an aggregate principal amount of $300 000 000 of its outstanding $1 000 000 000 6.75% senior notes due in 2020 pursuant to its tender offer announced on July 31, 2015.

Alcatel Lucent Securities

The following tables set forth, for April 13, 2015, the date immediately prior to the public announcement of discussions related to the possible business combination between Nokia and Alcatel Lucent, April 14, 2015, the date immediately prior to the public announcement of the execution of the Memorandum of Understanding and November 10, 2015, the most recent practicable trading day prior to the commencement of the Exchange Offer, the reported closing prices for Alcatel Lucent Shares on Euronext Paris, the reported closing prices for Alcatel Lucent ADSs on the NYSE and the latest reasonably available quotations for the OCEANEs on Euronext Paris.

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	Alcatel Lucent Share Closing Price	Alcatel Lucent ADS Closing Price
April 13, 2015	3.86	$ 4.35
April 14, 2015	4.48	$ 4.93
November 10, 2015		$

	2018 OCEANEs	2019 OCEANEs	2020 OCEANEs
April 13, 2015	4.24	4.83	4.84
April 14, 2015	5.39	5.61	5.66
November 10, 2015			

The following tables set forth, for the periods indicated, the reported closing prices for Alcatel Lucent Shares on Euronext Paris, the reported closing prices for Alcatel Lucent ADSs on the NYSE.

	Euronext Paris		NYSE	
	High	Low	High	Low
	(EUR per Alcatel Lucent Share)		(USD per Alcatel Lucent ADS)	
Annual highs and lows				
2010	2.54	1.78	$ 3.78	$ 2.36
2011	4.20	1.05	6.54	1.39
2012	1.85	0.68	2.60	0.93
2013	3.36	0.96	4.57	1.28
2014	3.40	1.80	4.61	2.36
2015 (through November 10, 2015)				
Quarterly highs and lows				
2013:				
First quarter	1.24	0.97	$ 1.75	$ 1.30
Second quarter	1.42	0.96	1.94	1.28
Third quarter	2.55	1.29	3.65	1.76
Fourth quarter	3.36	2.24	4.57	3.22
2014:				
First quarter	3.40	2.70	$ 4.61	$ 3.69
Second quarter	3.04	2.61	4.16	3.53
Third quarter	2.85	2.38	3.84	3.03
Fourth quarter	3.00	1.87	3.71	2.36
2015:				
First quarter	3.71	2.78	$ 3.92	$ 3.24
Second quarter	4.48	3.10	4.93	3.40
Third quarter	3.45	2.76	3.75	3.13
Fourth quarter (through November 10, 2015)				
Monthly highs and lows				
2015:				
May	3.66	3.10	3.95	3.40
June	3.64	3.27	3.97	3.62
July	3.45	3.10	3.75	3.38
August	3.43	2.76	3.70	3.13
September	3.28	2.93	3.65	3.23

October	3.70	3.23	4.03	3.56
November (through November 10, 2015)				

Additional information about Alcatel Lucent and its subsidiaries is included in the documents incorporated by reference into this exchange offer/prospectus. For more information about how to obtain copies of this information, see the Where You Can Find More Information section of this exchange offer/prospectus.

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Alcatel Lucent Shareholders

Alcatel Lucent Shares Ownership of Certain Beneficial Owners

The following table sets forth information, as of the dates indicated below, concerning the beneficial ownership of each person known to us to beneficially own more than 5% of Alcatel Lucent Shares (either directly or through Alcatel Lucent ADSs). The information in the table and the related notes is based on the identifiable bearer shares analysis made by Alcatel Lucent as of June 30, 2015 and declarations filed by the respective beneficial owners with Alcatel Lucent the AMF pursuant to Article L. 233-7 et seq. of the French Commercial Code.

	Alcatel Lucent Shares outstanding as of June 30, 2015			Theoretical Voting Rights based on Alcatel Lucent Shares outstanding as of June 30, 2015(1)		Voting Rights Exercisable at General Meeting based on Alcatel Lucent Shares outstanding as of June 30, 2015(2)	
Name of Holder of Alcatel Lucent Shares	**Number of Alcatel Lucent Shares**	**Percentage of Alcatel Lucent Shares**	**Double Voting Rights**	**Total Number of Votes**	**Percentage of Votes**	**Total Number of Votes**	**Percentage of Votes**
The Capital Group Companies, Inc.(3)	281 970 300	9.95%		281 970 300	9.78%	281 970 300	9.92%
Odey Asset Management, LLP(3)	139 392 500	4.92%		139 392 500	4.84%	139 392 500	4.90%
BlackRock Inc.(3)	114 609 500	4.04%		114 609 500	3.98%	114 609 500	4.03%
Caisse des Dépôts et Consignations(3)(4)	101 498 600	3.58%	8 243 622	109 742 222	3.81%	109 742 222	3.86%
DNCA(3)	85 074 900	3.00%		85 074 900	2.95%	85 074 900	2.99%
Aviva Plc(3)	56 354 800	1.99%		56 354 800	1.95%	56 354 800	1.98%
Amundi(3)(5)	42 737 400	1.51%		42 737 400	1.48%	42 737 400	1.50%
FCP 2AL(5)	32 778 404	1.16%	32 708 499	65 486 903	2.27%	65 486 903	2.30%
Other institutional investors(3)(6)	1 129 716 700	39.86%	18 173	1 129 734 873	39.19%	1 129 734 873	39.74%
Alcatel Lucent Shares held in treasury by Alcatel Lucent(7)	27 110 113	0.96%		27 110 113	0.94%		
Alcatel Lucent Shares held in treasury by subsidiaries of Alcatel Lucent(7)	13 006 408	0.46%		13 006 408	0.45%		
Public	810 210 667	28.58%	7 269 016	817 497 683	28.36%	817 497 683	28.76%