PROPOSAL BY THE BOARD OF DIRECTORS TO AUTHORIZE THE BOARD OF DIRECTORS TO RESOLVE TO ISSUE SHARES IN ORDER TO IMPLEMENT THE COMBINATION OF NOKIA AND ALCATEL LUCENT

As announced on April 15, 2015, Nokia Corporation ("Nokia" or the "Company") intends to combine with Alcatel Lucent, société anonyme ("Alcatel Lucent") (the "Transaction"). Pursuant to a Memorandum of Understanding between Nokia and Alcatel Lucent dated April 15, 2015 (the "Memorandum of Understanding"), Nokia is expected to launch public exchange offers in France and in the United States (collectively, the "Exchange Offers") offering to purchase all Alcatel Lucent shares, Alcatel Lucent American Depositary Shares and Alcatel Lucent convertible bonds, and to issue Nokia shares as consideration.

More information on the Exchange Offers and the Transaction is available in Nokia's stock exchange release issued on April 15, 2015 and in Nokia's proxy material for the Extraordinary General Meeting which are available on Nokia's website www.nokia.com/gm.

In order to implement the combination of Nokia and Alcatel Lucent, the Board of Directors proposes to the Extraordinary General Meeting that the Extraordinary General Meeting authorize the Board of Directors to resolve to issue, in deviation from the shareholders’ pre-emptive right to subscription, in total a maximum of 2 100 million shares in one or more issues during the effective period of the authorization. The proposed maximum amount represents approximately 57 percent of the Company’s current total number of shares as of the date of this proposal. If the maximum amount of shares under this authorization were issued as new shares, the new shares would represent approximately 36 percent of the Company's total number of shares after the issuance.

The Board of Directors proposes the authorization in order to issue Nokia shares to the holders of Alcatel Lucent shares, American Depositary Shares and convertible bonds as well as to beneficiaries of Alcatel Lucent employee equity compensation arrangements for the purpose of implementing the Transaction, including the consummation of the Exchange Offers as well as other transactions contemplated by the Memorandum of Understanding, and / or otherwise to effect the combination of Nokia and Alcatel Lucent.

The Board of Directors proposes that the authorization includes the right for the Board of Directors to resolve on all other terms and conditions of the issuance of shares. The authorization thereby includes the right for issuance in deviation from the shareholders’ pre-emptive rights within the limits set by law.
The Board of Directors proposes that the authorization be effective until December 2, 2020. The authorization does not terminate the authorization for issuance of shares and special rights entitling to shares granted to the Board of Directors by the Annual General Meeting held on May 5, 2015.

Espoo, October 22, 2015
Board of Directors