April 5, 2016

NOKIA

SUPPLEMENT TO LISTING PROSPECTUS

This document is a supplement to the listing prospectus (the "Listing Prospectus") of Nokia Oyj ("Nokia" or the "Company"), approved by the Finnish Financial Supervisory Authority on October 23, 2015. The journal number of the Finnish Financial Supervisory Authority's decision of approval for the Listing Prospectus is FIVA 85/02.05.04/2015, for the supplement dated November 16, 2015 FIVA 101/02.05.04/2015, for the supplement dated February 2, 2016 FIVA 1/02.05.04/2016 and for the supplement dated February 12, 2016 FIVA 9/02.05.04/2016. The Finnish Financial Supervisory Authority has on April 5, 2016 approved this supplement with the journal number FIVA 25/02.05.04/2016. A certificate of approval of this supplement, with a copy of this supplement and a French language translation of the summary of the Listing Prospectus as amended through this supplement, will be, in accordance with the Prospectus Directive (2003/71/EC), notified to the French stock market authority (*Autorité des marchés financiers*, or "AMF").

The definitions used in this supplement have the same meaning as in the Listing Prospectus, unless otherwise stated. This supplement constitutes a part of the Listing Prospectus and should be read together therewith.

This supplement is prepared due to the announcements and developments that have taken place after the approval of the Listing Prospectus on October 23, 2015 and the supplements dated November 16, 2015, February 2, 2016 and February 12, 2016, respectively, most important of which are listed hereunder, and that have not at the date of this supplement been supplemented to the Listing Prospectus.

- On February 19, 2016, Nokia announced the issuance of new shares in a directed share issue in exchange for Alcatel Lucent Shares in a private transaction.
- On February 22, 2016, Nokia published a restatement of previously disclosed information on Nokia's ownership in Alcatel Lucent.
- On March 17, 2016, Nokia announced the issuance of new shares in a directed share issue to the Alcatel Lucent depositary in exchange for Alcatel Lucent Shares.
- On April 1, 2016, Nokia filed the registration statement on Form 20-F with the U.S. Securities and Exchange Commission, containing, *inter alia*, updated risk factors relating to Nokia ("Nokia Annual Report 2015").
- On April 1, 2016, Nokia published its audited Annual Accounts for the year ended December 31, 2015.

Consequently, the information contained in the Listing Prospectus is updated in the manner set out in this supplement.

The audited financial statements of Nokia, including the auditor's report, for the financial year ended December 31, 2015 and the annual report of Nokia's Board of Directors for the financial year ended December 31, 2015 (both included in Nokia's Annual Accounts for the year ended December 31, 2015) are hereby incorporated by reference into the Listing Prospectus. The section "*Documents Incorporated by Reference*" on pages 361–362 of the Listing Prospectus is updated accordingly.

TABLE OF CONTENTS

SUPPLEMENTS TO THE LISTING PROSPECTUS

Supplements to the cautionary statements

The Listing Prospectus, as supplemented from time to time, and in particular the section "*Cautionary Statement Regarding Forward-Looking Statements*", contain forward-looking statements which should be read in conjunction with the other cautionary statements that are included elsewhere, including the section "*Risk Factors"* of the Listing Prospectus, Nokia Annual Report, Alcatel Lucent Annual Report, Nokia Interim Report, the unaudited interim report of Nokia for the nine months ended September 30, 2015, the unaudited interim report of Nokia for the year ended December 31, 2015, Nokia's Annual Accounts for the year ended December 31, 2015, Nokia Annual Report 2015, Alcatel Lucent Interim Report, Alcatel Lucent Q3 Interim Report, Alcatel Lucent Q4 Results Release and any other documents that Nokia or Alcatel Lucent have released through their respective stock exchanges. Any forward-looking statements made in this communication are qualified in their entirety by these cautionary statements, and there can be no assurance that the actual results or developments anticipated by Nokia will be realized or, even if substantially realized, that they will have the expected consequences to, or effects on, Nokia or Nokia's business or operations. Except as required by law, Nokia undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Shareholders and potential investors should note that all of the information concerning Alcatel Lucent presented in the Listing Prospectus, as supplemented from time to time, and in particular in Annex A, is solely based on publicly available information of Alcatel Lucent included in Alcatel Lucent Annual Report and the Alcatel Lucent Interim Report, which Alcatel Lucent has filed with the SEC, as well as Alcatel Lucent Q3 Interim Report and Alcatel Lucent Q4 Results Release. Nokia confirms that this information has been accurately reproduced and that as far as Nokia is aware and is able to ascertain from information published by Alcatel Lucent, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This section updates, in particular, the section "*Cautionary Statement Regarding Forward-Looking Statements*" on pages 139–140 of the Listing Prospectus as well as the disclaimers presented in connection with information about Alcatel Lucent in various sections of the Listing Prospectus.

Supplements to the section "*Summary*"

Element B.7 of the summary is supplemented by replacing the information under the heading "*Nokia*" with the following information to reflect the audited financial information of Nokia for the year ended December 31, 2015 and the financial information for the comparative periods for the years ended December 31, 2014 and 2013. For the sake of clarity, it is noted that the financial information of Alcatel Lucent for the year ended December 31, 2015 remains as presented in the supplement dated February 12, 2016, wherefore such information has not been reproduced in this supplement. Element D.1 of the summary is supplemented by replacing the information under the heading "*Nokia*" with new information. The amended information in the summary has been marked with an asterisk (*).

B.7	**Selected historical key financial information**	**Nokia** The following tables set forth selected consolidated financial information for Nokia. This information is qualified by reference to, and should be read in conjunction with, Nokia's consolidated financial statements and the notes thereto for the years ended December 31, 2015, 2014 and 2013, all of which are incorporated by reference into this Listing Prospectus. The selected consolidated historical income statement and statement of cash flow data for the years ended December 31, 2015, 2014 and 2013 and the consolidated statement of financial position data as of December 31, 2015, 2014 and 2013 have been derived from Nokia's audited consolidated financial statements for the respective years, prepared in accordance with the International Financial Reporting Standards ("IFRS").* In September 2013, Nokia announced the sale of substantially all of its Devices & Services Business to Microsoft. Subsequent to the approval for the sale received in the

Extraordinary General Meeting in November 2013, Nokia Group has presented Devices & Services Business as discontinued operations. The sale was completed on April 25, 2014. In the consolidated income statement for the year 2013, the financial results of the Devices & Services Business were reported as discontinued operations separately from the continuing operations.*

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 sale of HERE was completed on December 4, 2015. In the consolidated income statement for the financial year ended December 31, 2015, HERE has been reported as discontinued operations separately from the continuing operations. The income statement information for the years 2014 and 2013 have been restated accordingly. Thus, the restated consolidated income statement information for the years 2014 and 2013 presented in the following table is unaudited.*

	Year ended December 31,		
	2015 (audited)*	**2014 (unaudited)**	**2013 (unaudited)***
CONSOLIDATED INCOME STATEMENT	*(in EUR million, except for shares outstanding and earnings per share)*		
Net sales	**12 499**	**11 762***	**11 795***
Cost of sales	(7 046)*	(6 855)	(7 157)*
Gross profit	**5 453**	**4 907**	**4 638***
Research and development expenses	(2 126)	(1 948)	(1 970)*
Selling, general and administrative expenses	(1 652)	(1 453)	(1 483)*
Other income*	236*	135*	272*
Other expenses*	(223)*	(229)*	(785)*
Operating profit	**1 688**	**1 412**	**672***
Share of results of associated companies and joint ventures	29	(12)	4
Financial income and expenses	(177)	(401)	(277)*
Profit before tax	**1 540**	**999**	**399***
Income tax (expense)/benefit	(346)	1 719*	(271)*
Profit for the year from Continuing operations	**1 194**	**2 718**	**128***
Attributable to:			
Equity holders of the parent	1 192	2 710	273*
Non-controlling interests	2	8	(145)
Profit for the year from Continuing operations	**1 194**	**2 718**	**128***
Profit/(loss) for the year from Discontinued operations attributable to:			
Equity holders of the parent	1 274	752	(888)*
Non-controlling interests	-	6	21
Profit/(loss) for the year from Discontinued operations*	**1 274***	**758***	**(867)***
Profit/(loss) for the year attributable to:			
Equity holders of the parent	2 466	3 462	(615)
Non-controlling interests	2	14	(124)
Profit/(loss) for the year*	**2 468***	**3 476***	**(739)***
Earnings per share attributable to equity holders of the parent	EUR	EUR	EUR
Basic earnings per share			
Continuing operations	0.32	0.73	0.07*
Discontinued operations	0.35	0.20	(0.24)*
Profit/(loss) for the year	0.67	0.94	(0.17)
Diluted earnings per share			
Continuing operations	0.31	0.67	0.07*

Discontinued operations	0.32	0.18	(0.24)*
Profit/(loss) for the year	0.63	0.85	(0.17)
Average number of shares	000s shares	000s shares	000s shares
Basic			
Continuing operations	3 670 934	3 698 723	3 712 079
Discontinued operations	3 670 934	3 698 723	3 712 079
Profit/(loss) for the year	3 670 934	3 698 723	3 712 079
Diluted			
Continuing operations	3 949 312	4 131 602	3 733 364
Discontinued operations	3 949 312	4 131 602	3 712 079
Profit/(loss) for the year	3 949 312	4 131 602	3 712 079

		Year ended December 31,	
	2015 (audited)*	**2014 (unaudited)**	**2013 (unaudited)***
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		*(in EUR million)*	
Profit/(loss) for the year	**2 468**	**3 476**	**(739)**
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurements on defined benefit plans	112	(275)	83
Income tax related to items that will not be reclassified to profit or loss	(28)	96	(3)
Items that may be reclassified subsequently to profit or loss:			
Translation differences	(1 054)	820	(496)
Net investment hedges	322*	(167)	114
Cash flow hedges	(5)	(30)	3
Available-for-sale investments	113*	106	49
Other increase, net	2*	40	5
Income tax related to items that may be reclassified subsequently to profit or loss	(88)	16	1
Other comprehensive (expense)/income, net of tax	**(626)***	**606**	**(244)**
Total comprehensive income/(expense) for the year	**1 842***	**4 082**	**(983)**
Attributable to:			
Equity holders of the parent	1 837*	4 061	(863)
Non-controlling interests	5	21	(120)
Total comprehensive income/(expense) for the year	**1 842***	**4 082**	**(983)**
Attributable to equity holders of the parent:			
Continuing operations	1 513*	2 350	55*
Discontinued operations	324	1 711	(918)*
Total attributable to equity holders of the parent	**1 837***	**4 061**	**(863)**
Attributable to non-controlling interest:			
Continuing operations	5	16	(139)
Discontinued operations	-	5	19
Total attributable to non-controlling interests	**5**	**21**	**(120)**

	As of December 31,		
	2015 (audited)*	2014 (audited)	2013 (audited)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION		*(in EUR million)*	
ASSETS			
Non-current assets			
Goodwill	237	2 563	3 295
Other intangible assets	323	350	296
Property, plant and equipment	695	716	566
Investments in associated companies and joint ventures	84	51	65
Available-for-sale investments	1 004*	828	741
Deferred tax assets	2 634	2 720	890
Long-term loans receivable	49	34	96
Prepaid pension costs[1]	25	30*	38
Other non-current assets[1]	51	47	61
	5 102*	**7 339**	**6 048**
Current assets			
Inventories	1 014	1 275	804
Accounts receivable, net of allowances for doubtful accounts	3 913	3 430*	2 901
Prepaid expenses and accrued income	749	913	660
Current income tax assets	171	124	146
Current portion of long-term loans receivable	21	1	29
Other financial assets	107	266	285
Investments at fair value through profit and loss, liquid assets	687	418	382
Available-for-sale investments, liquid assets	2 167	2 127	956
Cash and cash equivalents[2]	6 995	5 170	7 633
	15 824	13 724	13 796
Assets held for sale	-	-	89
Assets of disposal groups classified as held for sale	-	-	5 258
Total assets	**20 926***	**21 063**	**25 191**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the parent			
Share capital	246	246	246
Share issue premium	380	439	615
Treasury shares at cost	(718)	(988)	(603)
Translation differences	292	1 099	434
Fair value and other reserves	204*	22	80
Reserve for invested non-restricted equity	3 820	3 083	3 115
Retained earnings	6 279	4 710	2 581
	10 503*	8 611	6 468
Non-controlling interests	21	58	192
Total equity	**10 524***	**8 669**	**6 660**
Non-current liabilities			
Long-term interest-bearing liabilities	2 023	2 576	3 286
Deferred tax liabilities	61*	32	195
Defined benefit pension liabilities[3]	423*	530*	237*
Deferred revenue and other long-term liabilities[3]	1 254*	1 667*	393*

Provisions	250	301	242
	4 011	5 106*	4 353
Current liabilities			
Current portion of long-term interest-bearing liabilities	1	1	3 192
Short-term borrowings	50	115	184
Other financial liabilities	114*	174	35
Current income tax liabilities	446	481	484
Accounts payable	1 910	2 313	1 842
Accrued expenses, deferred revenue and other liabilities	3 395	3 632	3 033
Provisions	475*	572	680
	6 391	7 288	9 450
Liabilities of disposal groups classified as held for sale	-	-	4 728
Total liabilities*	**10 402***	**12 394***	**18 531***
Total shareholders' equity and liabilities	**20 926***	**21 063**	**25 191**

[1] Prepaid pension costs previously reported under "Other non-current assets" have been reported separately for the year ended December 31, 2015. The information for prior periods presented has been adjusted accordingly.*

[2] For the year ended December 31, 2015, "Bank and cash" and "Available for sale investments, cash equivalents" have been reported as a single line item "Cash and cash equivalents". The information for prior periods presented has been adjusted accordingly.*

[3] Defined benefit pension liabilities previously reported under "Deferred revenue and other long-term liabilities" have been reported separately for the year ended December 31, 2015. The information for prior periods presented has been adjusted accordingly.*

	Year ended December 31,		
	2015 (audited)*	**2014 (audited)**	**2013 (audited)**
CONSOLIDATED STATEMENT OF CASH FLOWS		*(in EUR million)*	
Net cash from operating activities	507	1 275	72
Net cash from/(used in) investing activities	1 896	886	(691)
Net cash used in financing activities	(584)	(4 576)	(477)
Foreign exchange adjustment	6	(48)	(223)
Net increase/(decrease) in cash and cash equivalents	1 825	(2 463)	(1 319)
Cash and cash equivalents at beginning of year	5 170	7 633	8 952
Cash and cash equivalents at end of year	6 995	5 170	7 633

The consolidated statement of cash flows combines cash flows from both the Continuing and the Discontinued operations.

The amounts in the consolidated statement of cash flows cannot be directly traced from the statement of financial position without additional information on the acquisitions and disposals of subsidiaries and the net foreign exchange differences arising on consolidation.*

Key Ratios

	Year ended December 31, 2015 (unaudited)	2014 (unaudited)	2013 (unaudited)
Key ratios at the reporting date, continuing operations			
Earnings per share for profit attributable to equity holders of parent			
Earnings per share, basic, EUR	0.32[1]	0.73	0.07*
Earnings per share, diluted, EUR	0.31[1]	0.67	0.07*
P/E ratio, basic	20.6	8.99	83.14*
Ordinary dividend per share, EUR	0.16[4]	0.14	0.11
Special dividend per share, EUR	0.10[4]	0	0.26
Total dividends paid, EURm	1 560*	511	1 374
Payout ratio, basic[2]	0.50	0.19	2.20
Dividend yield, %[3]	2.43	2.13	1.89
Shareholders' equity per share, EUR	2.65	2.36	1.74
Market capitalization, EURm	25 999*	23 932	21 606

[1] Earnings per share (basic and diluted) for the year ended December 31, 2015 are audited.*

[2] Payout ratio, basic is calculated based on the Ordinary dividend per share, EUR. The payout ratio including the Special dividend per share is 0.81 for the year ended December 31, 2015, 0.19 for the year ended December 31, 2014 and 5.29 for the year ended December 31, 2013.*

[3] Dividend yield, % is calculated based on the Ordinary dividend per share, EUR. The dividend yield, % including the Special dividend per share is 3.94 for the year ended December 31, 2015, 2.13 for the year ended December 31, 2014 and 6.36 for the year ended December 31, 2013.

[4] The ordinary and special dividend for 2015 will be proposed by the Nokia Board of Directors. The resolution on the dividend will be made by the Annual General Meeting in 2016.

In November 2011, Nokia Networks announced its strategy to focus on mobile broadband and services. It also announced an extensive global restructuring program that ultimately resulted in the reduction of its annualized operating expenses and production overhead by over EUR 1.5 billion when the program was completed at the end of 2013. As part of its strategy of focusing on mobile broadband, Nokia Networks also divested a number of non-core businesses.

Beginning in 2013, Nokia undertook a series of transactions to transform its business portfolio. On July 1, 2013, Nokia announced the agreement to acquire Siemens' 50% stake in the companies' joint venture Nokia Siemens Networks. The purchase price was EUR 1.7 billion and the transaction closed on August 7, 2013. On September 3, 2013, Nokia announced that it had signed an agreement to sell its Devices & Services Business to Microsoft for a total purchase price of EUR 5.44 billion, of which EUR 3.79 billion related to the Sale of the Devices & Services Business and EUR 1.65 billion related to a mutual patent license agreement. In conjunction with the transaction, Nokia established the Nokia Technologies business to focus on technology development and intellectual property rights activities. The transaction significantly strengthened the Company's financial position and subsequent to the transaction, in 2014, Nokia started the optimization of its capital structure and recommenced dividend payments, distributed excess capital to shareholders and reduced its interest-bearing debt.

On April 15, 2015, Nokia continued its transformation with the announcement that it had signed an agreement to acquire Alcatel Lucent through the Exchange Offer on the basis of 0.5500 Nokia Shares for each Alcatel Lucent Share. In conjunction with this announcement, Nokia announced that it has suspended its capital structure optimization program effective immediately. On August 3, 2015, Nokia announced an agreement to sell HERE to an automotive industry consortium and estimates that it will receive net

		proceeds of slightly above EUR 2.5 billion. The transaction was completed on December 4, 2015. On October 29, 2015, Nokia announced a planned EUR 7 billion program to optimize Nokia's capital structure and return excess capital to shareholders, subject to the closing of the Alcatel Lucent and HERE transactions, as well as the conversion of all Nokia and Alcatel Lucent convertible bonds. Nokia obtained control of Alcatel Lucent on January 4, 2016 when the interim results of the successful initial Exchange Offer were announced by the AMF with a shareholding of 76.31% of the share capital and at least 76.01% of the voting rights. On January 14, 2016, the combined operations of Nokia and Alcatel Lucent commenced. On the same day, Nokia reopened the Exchange Offer. The results of the reopened offer period in the Exchange Offer were published on February 10, 2016 and the settlement of the reopened offer period in the Exchange Offer and the registration of new shares was announced on February 12, 2016. As a result, Nokia announced to hold 91.25% of the share capital and at least 91.17% of the voting rights of Alcatel Lucent.*
D.1	**Risks specific to the issuer or its industry**	**Nokia** • Nokia's strategy is subject to various risks and uncertainties, including that Nokia may be unable to successfully implement its strategic plans, sustain or improve the operational and financial performance of its business groups, correctly identify or successfully pursue business opportunities or otherwise grow its business.* • Nokia may be unable to realize the anticipated benefits from the acquisition of Alcatel Lucent or implement the Company's organizational and operational structure efficiently or within the timeframe currently anticipated, including successfully implementing the Company's business plans, successfully integrating Alcatel Lucent's business or achieving the targeted synergies and other efficiencies.* • Nokia's failure to promptly complete the purchases 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 for all Alcatel Lucent Securities.* • Nokia may be materially and adversely affected by general economic and market conditions and other developments in the economies where the Company operates.* • Nokia is dependent on the development of the industries in which the Company operates, including the information technology and communications industries and related services market. The telecommunications industry is cyclical and is affected by many factors, including the general economic environment, purchase behavior, deployment, roll-out timing and spending by service providers, consumers and businesses.* • Nokia conducts its business globally, exposing it to political and other regional developments, including in emerging market countries, which may have a higher degree of regulatory or political risk, including unfavorable or unpredictable treatment in relation to tax matters, exchange controls, and other restrictions.* • Nokia faces intense competition and may fail to effectively and profitably invest in new competitive high-quality products, services, upgrades and technologies or bring them to market in a timely manner.* • Nokia is dependent on a limited number of customers and large multi-year agreements. Accordingly, a loss of a single customer, operator consolidation or issues related to a single agreement may have a material adverse effect on Nokia's business.* • The Nokia Technologies business group's patent licensing income and other intellectual property-related revenues are subject to risks and uncertainties such as Nokia's ability to maintain its existing sources of intellectual property-related revenue or establish new sources for revenue. A proportionally significant share of

		the current patent licensing income is generated from the smartphone market which has proven to be rather dynamic and features a limited number of large vendors.* • Nokia's products, services and business models depend on IPR technologies that Nokia has developed as well as technologies that are licensed to Nokia by certain third parties. As a result, evaluating the rights related to the technologies Nokia uses or intends to use is increasingly challenging, and it expects to continue to face claims that it has allegedly infringed third parties' IPR. The use of these technologies may also result in increased licensing costs for Nokia, restrictions on Nokia's ability to use certain technologies in its products and/or costly and time consuming litigation.* • Nokia's business is subject to direct and indirect regulation. As a result, changes in various types of regulations or their application, as well as economic and trade policies applicable to current or new technologies or products, may adversely affect Nokia's business and results of operations. Nokia's governance, internal controls and compliance processes could also fail to prevent regulatory penalties, both at operating subsidiaries and in joint ventures.* • Nokia's business model relies on solutions for distribution of services and software or data storage, which entail inherent risks relating to applicable regulatory regimes, cybersecurity breaches and other unauthorized access to network data or other potential security risks that may adversely affect Nokia's business.* • The Nokia Technologies business group aims to generate net sales and profitability through licensing of the Nokia brand, the development and sales of products and services in the areas of virtual reality, digital media and digital health, as well as other business ventures including technology innovation and incubation, which may not materialize as planned or at all.* • Nokia is subject to various legislative frameworks and jurisdictions that regulate fraud as well as economic and trade sanctions and policies, and as such, the extent and outcome of possible proceedings is difficult to estimate with any certainty. Nokia's subsidiary Alcatel Lucent has been, and continues to be, involved in investigations concerning alleged violations of anti-corruption laws, and has been, and could again be, subject to material fines, penalties and other sanctions as a result of such investigations.* • Nokia has operations in a number of countries and, consequently, risks facing complex tax issues and disputes and could be obligated to pay additional taxes in various jurisdictions.* • Nokia's actual or anticipated performance, among other factors, could reduce the Company's ability to utilize its deferred tax assets.* • Nokia may be unable to retain, motivate, develop and recruit appropriately skilled employees.* • Nokia may face problems or disruptions especially within the Mobile Networks business groups' manufacturing, service creation, delivery, logistics or supply chain. Additionally, adverse events may have a profound impact on production sites or the production sites of Nokia's suppliers, which are geographically concentrated.* • An unfavorable outcome of litigation, arbitrations, agreement-related disputes or product liability-related allegations with Nokia's business could have a material adverse effect on the Company.* • Nokia's net sales, costs and results of operations, as well as the U.S. dollar value of Nokia's dividends and market price of the Nokia ADSs, are affected by exchange rate fluctuations.* • Inefficiencies, breaches, malfunctions or disruptions of information technology systems could have a material adverse effect on Nokia's business and results of operations.*

		• Nokia may not be able to optimize the Company's capital structure as planned and re-establish its investment grade credit rating or otherwise improve its credit ratings.* • The amount of dividend and equity return distributed to shareholders for each financial period is uncertain.* • Nokia may be unable to achieve targeted benefits from or successfully implement planned transactions or transactions may result in liabilities.* • Nokia is involved in joint ventures and is exposed to risks inherent to companies under joint management.* • Performance failures of Nokia's partners, as well as failures to agree to partnering arrangements with third parties could adversely affect the Company.* • Nokia's efforts aimed at managing and improving financial or operational performance, cost savings, competitiveness and obtaining the targeted synergy benefits associated with the acquisition of Alcatel Lucent, may not lead to targeted results, benefits or improvements.* • Nokia may be adversely affected by developments with respect to the customer financing or extended payment terms that Nokia provides its customers.* • The carrying amount of Nokia's goodwill may not be recoverable.* • Nokia is exposed to certain pension and employee fund-related risks. Alcatel Lucent Group's U.S. pension and post-retirement benefit plans are large and have funding requirements that fluctuate based on how their assets are invested, the performance of financial markets worldwide, interest rates, assumptions regarding the life expectancy of covered employees and retirees, medical cost increases, and changes in legal requirements. Even if these plans are currently fully funded, they are costly, and the Company's efforts to satisfy further funding requirements or control these costs may be ineffective.* • Volatility in discount rates and asset values will affect the funded status of Nokia's pension plans.* • Pension and post-retirement health plan participants may live longer than has been assumed, which would result in an increase in Nokia's benefit obligation.* • Alcatel Lucent may not be able to fund the healthcare and group life insurance costs of its formerly represented retirees with excess pension assets.* • Healthcare cost increases and an increase in the use of services may significantly increase Alcatel Lucent's retiree healthcare costs.* • Alcatel Lucent's business includes the installation and maintenance of undersea telecommunications cable networks, and in the course of this activity it may cause damage to existing undersea infrastructure, for which it may ultimately be held responsible.*

Supplements to the section "*Tiivistelmä*"

Tiivistelmän osatekijää B.7 täydennetään siten, että otsikon "*Nokia*" tiedot korvataan seuraavilla tiedoilla, jotka kuvastavat Nokian tilintarkastettuja taloudellisia tietoja 31.12.2015 päättyneeltä vuodelta sekä taloudellisia tietoja 31.12.2014 ja 31.12.2013 päättyneitä vuosia koskevilta vertailuajanjaksoilta. Selvyyden vuoksi todetaan, että Alcatel Lucentin taloudelliset tiedot 31.12.2015 päättyneeltä vuodelta pysyvät samoina kuin miten ne on esitetty 12.2.2016 täydennyksessä, eikä niitä siksi ole toistettu tässä täydennyksessä. Osatekijää D.1 täydennetään siten, että otsikon "*Nokia*" tiedot korvataan uusilla tiedoilla. Täydennetyt tiedot on merkitty tiivistelmässä tähdellä (*).

Osakkeenomistajien ja potentiaalisten sijoittajien tulisi huomata, että kaikki Alcatel Lucentia koskeva Listalleottoesitteessä (erityisesti liitteessä A) esitetty tieto, siinä muodossa kuin Listalleottoesitettä on täydennetty aika ajoin, perustuu ainoastaan julkisista lähteistä saatavilla olevaan Alcatel Lucentia koskevaan tietoon, joka on sisällytetty Alcatel Lucentin vuosikertomukseen ja Alcatel Lucentin 30.6.2015 päättyneen kuuden kuukauden jakson osavuosikatsaukseen, jotka Alcatel Lucent on jättänyt Yhdysvaltojen arvopaperimarkkinaviranomaiselle, sekä Alcatel

Lucentin 30.9.2015 päättyneen yhdeksän kuukauden jakson osavuosikatsaukseen ja sitä koskevaan tiedotteeseen sekä Alcatel Lucentin tilintarkastamattomaan tilinpäätökseen 31.12.2015 päätyneeltä vuodelta ja sitä koskevaan tiedotteeseen. Nokia vahvistaa, että tämä tieto on toistettu täsmällisesti ja että siltä osin kuin Nokia on tietoinen ja pystyy varmistamaan, Alcatel Lucentin julkaisemasta tiedosta ei ole jätetty pois sellaisia faktoja, jotka tekisivät toistetusta tiedosta epätarkkaa tai harhaanjohtavaa.

B.7	**Valikoidut historialliset keskeiset taloudelliset tiedot**	**Nokia**

Seuraavissa taulukoissa on esitetty Nokian valikoituja konsolidoituja taloudellisia tietoja. Esitetyt tiedot perustuvat Listalleottoesitteeseen viittaamalla sisällytettyihin Nokian konsernitilinpäätöksiin 31.12.2015, 31.12.2014 ja 31.12.2013 päättyneiltä vuosilta ja niiden liitetietoihin, ja tässä esitettyjä taloudellisia tietoja tulee tarkastella yhdessä niiden kanssa. Valikoidut historialliset konsernin tuloslaskelma- ja rahavirtatiedot 31.12.2015, 31.12.2014 ja 31.12.2013 päättyneiltä vuosilta sekä konsernitasetiedot 31.12.2015, 31.12.2014 ja 31.12.2013 perustuvat Nokian tilintarkastettuihin konsernitilinpäätöksiin, jotka on laadittu IFRS-tilinpäätösstandardien (”IFRS”) mukaisesti.*

Nokia julkisti syyskuussa 2013 myyvänsä olennaisilta osin koko Devices & Services -liiketoimintansa Microsoftille. Ylimääräisen yhtiökokouksen hyväksyttyä myynnin marraskuussa 2013 Nokia-konserni on raportoinut Devices & Services -liiketoiminnan lopetettuna toimintana. Myynti saatettiin päätökseen 25.4.2014. Vuoden 2013 konsernituloslaskelmassa Devices & Services -liiketoiminnan taloudellinen tulos on esitetty lopetetuissa toiminnoissa erillään jatkuvista toiminnoista. *

Nokia julkisti 3.8.2015 solmineensa sopimuksen kartta- ja sijaintipalveluja tarjoavan HERE-liiketoimintansa myynnistä johtavien autonvalmistajien yhteenliittymälle, johon kuuluvat AUDI AG, BMW Group ja Daimler AG. HERE-liiketoiminnan myynti saatiin päätökseen 4.12.2015. Konsernituloslaskelmassa 31.12.2015 päättyneeltä vuodelta HERE on esitetty lopetetuissa toiminnoissa erillään jatkuvista toiminnoista. Vuosien 2014 ja 2013 tuloslaskelmatiedot on oikaistu vastaavasti. Tämän vuoksi seuraavassa taulukossa esitetyt oikaistut konsernin tuloslaskelmatiedot vuosilta 2014 ja 2013 ovat tilintarkastamattomia.*

		1.1.–31.12.	
	2015 (tilintarkastettu)*	**2014** (tilintar-kastamaton)	**2013** (tilintar-kastamaton)*
KONSERNIN TULOSLASKELMA	*(milj. EUR, paitsi osakemäärä ja osakekohtainen tulos)*		
Liikevaihto	**12 499**	**11 762***	**11 795***
Hankinnan ja valmistuksen kulut	-7 046*	-6 855	-7 157*
Bruttokate	**5 453**	**4 907**	**4 638***
Tutkimus- ja kehityskulut	-2 126	-1 948	-1 970*
Myynnin ja hallinnon kulut	-1 652	-1 453	-1 483*
Liiketoiminnan muut tuotot*	236*	135*	272*
Liiketoiminnan muut kulut*	-223*	-229*	-785*
Liikevoitto	**1 688**	**1 412**	**672***
Osuus osakkuusyhtiöiden ja yhteisyritysten tuloksista	29	-12	4
Rahoitustuotot ja -kulut	-177	-401	-277*
Voitto ennen veroja	**1 540**	**999**	**399***
Tuloverokulut/-tuotot	-346	1 719*	-271*
Jatkuvien toimintojen voitto	**1 194**	**2 718**	**128***
Emoyhtiön osakkeenomistajille kuuluva voitto	1 192	2 710	273*

Määräysvallattomille omistajille kuuluva osuus voitosta/tappiosta	2	8	-145
Jatkuvien toimintojen voitto	**1194**	**2 718**	**128***
Lopetettujen toimintojen voitto/tappio			
Emoyhtiön osakkeenomistajille kuuluva voitto/tappio	1 274	752	-888*
Määräysvallattomille omistajille kuuluva osuus voitosta	-	6	21
Lopetettujen toimintojen voitto/tappio	**1 274***	**758***	**-867***
Tilikauden voitto/tappio			
Emoyhtiön osakkeenomistajille kuuluva voitto/tappio	2 466	3 462	-615
Määräysvallattomille omistajille kuuluva osuus voitosta/tappiosta	2	14	-124
Tilikauden voitto/tappio	**2 468***	**3 476***	**-739***
Osakekohtainen tulos emoyhtiön osakkeenomistajille	EUR	EUR	EUR
Laimentamaton			
Jatkuvat toiminnot	0,32	0,73	0,07*
Lopetetut toiminnot	0,35	0,20	-0,24*
Tilikauden voitto/tappio	0,67	0,94	-0,17
Laimennettu			
Jatkuvat toiminnot	0,31	0,67	0,07*
Lopetetut toiminnot	0,32	0,18	-0,24*
Tilikauden voitto/tappio	0,63	0,85	-0,17
Osakkeita keskimäärin	(1 000 osaketta)	(1 000 osaketta)	(1 000 osaketta)
Laimentamaton			
Jatkuvat toiminnot	3 670 934	3 698 723	3 712 079
Lopetetut toiminnot	3 670 934	3 698 723	3 712 079
Tilikauden voitto/tappio	3 670 934	3 698 723	3 712 079
Laimennettu			
Jatkuvat toiminnot	3 949 312	4 131 602	3 733 364
Lopetetut toiminnot	3 949 312	4 131 602	3 712 079
Tilikauden voitto/tappio	3 949 312	4 131 602	3 712 079

	2015 (tilintarkastettu)*	**1.1.–31.12. 2014 (tilintar-kastamaton)**	**2013 (tilintar-kastamaton)***
KONSERNIN LAAJA TULOSLASKELMA		*(milj. EUR)*	
Tilikauden voitto/tappio	**2 468**	**3 476**	**-739**
Muut laajan tuloksen erät			
Erät, joita ei siirretä tulosvaikutteisiksi			
Etuuspohjaisten eläkejärjeste-lyjen uudelleenarvostus	112	-275	83
Tuloverot eristä, joita ei siirretä tulosvaikutteisiksi	-28	96	-3
Erät, jotka voidaan siirtää myö-hemmin tulosvaikutteisiksi			
Muuntoerot	-1 054	820	-496
Ulkomaiseen yksikköön tehdyn nettosijoituksen suojaus	322*	-167	114
Rahavirtojen suojaus	-5	-30	3
Available-for-sale -sijoitukset	113*	106	49
Muut lisäykset, netto	2*	40	5

Tuloverot eristä, jotka voidaan siirtää myöhemmin tulosvaikutteisiksi	-88	16	1
Muut laajan tuloksen erät verojen jälkeen	**-626***	**606**	**-244**
Laaja tulos	**1 842***	**4 082**	**-983**
Laajan tuloksen jakautuminen:			
Emoyhtiön osakkeenomistajille kuuluva tulos	1 837*	4 061	-863
Määräysvallattomille omistajille kuuluva osuus tuloksesta	5	21	-120
Laaja tulos	**1 842***	**4 082**	**-983**
Emoyhtiön osakkeenomistajille kuuluvan laajan tuloksen jakautuminen:			
Jatkuvat toiminnot	1 513*	2 350	55*
Lopetetut toiminnot	324	1 711	-918*
Emoyhtiön osakkeenomistajille kuuluva laaja tulos	**1 837***	**4 061**	**-863**
Määräysvallattomille omistajille kuuluvan laajan tuloksen jakautuminen:			
Jatkuvat toiminnot	5	16	-139
Lopetetut toiminnot	-	5	19
Määräysvallattomille omistajille kuuluva laaja tulos	**5**	**21**	**-120**

		31.12.	
	2015 (tilintarkastettu)*	**2014 (tilintarkastettu)**	**2013 (tilintarkastettu)**
KONSERNITASE		*(milj. EUR)*	
VASTAAVAA			
Pitkäaikaiset varat			
Liikearvo	237	2 563	3 295
Muut aineettomat hyödykkeet	323	350	296
Aineelliset hyödykkeet	695	716	566
Osuudet osakkuusyhtiöissä ja yhteisyrityksissä	84	51	65
Available-for-sale -sijoitukset	1 004*	828	741
Laskennalliset verosaamiset	2 634	2 720	890
Pitkäaikaiset lainasaamiset	49	34	96
Ennakkomaksut eläkkeistä[1]	25	30*	38
Muut pitkäaikaiset varat[1]	51	47	61
	5 102*	**7 339**	**6 048**
Lyhytaikaiset varat			
Vaihto-omaisuus	1 014	1 275	804
Myyntisaamiset, oikaistuna arvonalentumiskirjauksilla	3 913	3 430*	2 901
Siirtosaamiset ja ennakkomaksut	749	913	660
Tuloverosaamiset	171	124	146
Lyhytaikainen osuus pitkäaikaisista lainasaamisista	21	1	29
Muut lyhytaikaiset rahoitusvarat	107	266	285
Käypään arvoon tulos-vaikutteisesti kirjattavat sijoitukset, likvidit varat	687	418	382
Available-for-sale -sijoitukset, likvidit varat	2 167	2 127	956
Rahavarat[2]	6 995	5 170	7 633
	15 824	**13 724**	**13 796**
Myytävänä olevat aineelliset hyödykkeet	-	-	89
Lopetettujen toimintojen varat	-	-	5 258
Vastaavaa yhteensä	**20 926***	**21 063**	**25 191**

VASTATTAVAA			
Emoyhtiön osakkeenomistajille kuuluva oma pääoma			
Osakepääoma	246	246	246
Ylikurssirahasto	380	439	615
Omat osakkeet	-718	-988	-603
Muuntoerot	292	1 099	434
Arvonmuutosrahasto ja muut rahastot	204*	22	80
Sijoitetun vapaan oman pääoman rahasto	3 820	3 083	3 115
Kertyneet voittovarat	6 279	4 710	2 581
	10 503*	8 611	6 468
Määräysvallattomille omistajille kuuluva osuus	21	58	192
Oma pääoma yhteensä	**10 524***	**8 669**	**6 660**
Pitkäaikainen vieras pääoma			
Pitkäaikaiset korolliset velat	2 023	2 576	3 286
Laskennalliset verovelat	61*	32	195
Etuuspohjaiset eläkevelat[3]	423*	530*	237*
Myynnin jaksotukset ja muut pitkäaikaiset velat[3]	1 254*	1 667*	393*
Varaukset	250	301	242
	4 011	5 106*	4 353
Lyhytaikainen vieras pääoma			
Lyhytaikainen osuus pitkäaikaisista korollisista veloista	1	1	3 192
Lyhytaikaiset velat	50	115	184
Muut lyhytaikaiset rahoitusvelat	114*	174	35
Tuloverovelat	446	481	484
Ostovelat	1 910	2 313	1 842
Siirtovelat, myynnin jaksotukset ja muut velat	3 395	3 632	3 033
Varaukset	475*	572	680
	6 391	7 288	9 450
Lopetettujen toimintojen velat	-	-	4 728
Vieras pääoma yhteensä*	**10 402***	**12 394***	**18 531***
Vastattavaa yhteensä	**20 926***	**21 063**	**25 191**

[1] Aikaisemmin rivillä "Muut pitkäaikaiset varat" raportoidut ennakkomaksut eläkkeistä on esitetty erikseen 31.12.2015 päättyneeltä vuodelta, ja aikaisemmilta jaksoilta esitetyt tiedot on oikaistu vastaavasti.*
[2] "Rahavarat" ja "Available-for-sale -sijoitukset, likvidit varat" on esitetty yhdellä rivillä "Rahavarat" 31.12.2015 päättyneeltä vuodelta, ja aikaisemmilta jaksoilta esitetyt tiedot on oikaistu vastaavasti.*
[3] Aikaisemmin rivillä "Myynnin jaksotukset ja muut pitkäaikaiset velat" raportoidut etuuspohjaiset eläkevelat on on esitetty erikseen 31.12.2015 päättyneeltä vuodelta, ja aikaisemmilta jaksoilta esitetyt tiedot on oikaistu vastaavasti.*

		1.1.–31.12.	
	2015 (tilintarkastettu)*	**2014 (tilintarkastettu)**	**2013 (tilintarkastettu)**
KONSERNIN RAHAVIRTALASKELMA		*(milj. EUR)*	
Liiketoiminnan nettorahavirta	507	1 275	72
Investointien nettorahavirta	1 896	886	-691
Rahoitustoimintojen nettorahavirta	-584	-4 576	-477
Muuntoero-oikaisu	6	-48	-223
Rahavarojen lisäys/vähennys	1 825	-2 463	-1 319
Rahavarat tilikauden alussa	5 170	7 633	8 952
Rahavarat tilikauden lopussa	6 995	5 170	7 633

Konsernin rahavirtalaskelman eriin sisältyvät sekä jatkuviin että lopetettuihin toimintoihin liittyvät rahavirrat.

Konsernin rahavirtalaskelman erät eivät ole suoraan johdettavissa taseesta mm. tilikauden aikana hankittujen ja myytyjen tytäryhtiöiden ja valuuttakurssien muutosten takia.*

Tunnusluvut

	2015 (tilintarkastamaton)	1.1.–31.12. 2014 (tilintarkastamaton)	2013 (tilintarkastamaton)
Tunnusluvut raportointipäivänä			
Jatkuvat toiminnot			
Osakekohtainen tulos (emoyhtiön omistajille kuuluvasta voitosta)			
Osakekohtainen tulos, laimentamaton, EUR	0,32[1]	0,73	0,07*
Osakekohtainen tulos, laimennettu, EUR	0,31[1]	0,67	0,07*
P/E-luku, laimentamaton	20,6	8,99	83,14*
Tavallinen osakekohtainen osinko, EUR	0,16[4]	0,14	0,11
Erityinen osakekohtainen osinko, EUR	0,10[4]	0	0,26
Osingot, milj. EUR	1 560*	511	1 374
Osingonjakosuhde, laimentamaton[2]	0,50	0,19	2,20
Osinkotuotto, %[3]	2,43	2,13	1,89
Osakekohtainen oma pääoma, milj. EUR	2,65	2,36	1,74
Osakekannan markkina-arvo, milj. EUR	25 999*	23 932	21 606

[1] Osakekohtaiset tulokset (laimennettu ja laimentamaton) 31.12.2015 päättyneeltä vuodelta on tilitarkastettu.*

[2] Osingonjakosuhde, laimentamaton on laskettu osakekohtaisesta osingosta, EUR. Osingonjakosuhde sisältäen osakekohtaisen lisäosingon on 31.12.2015 päättyneeltä vuodelta 0,81, 31.12.2014 päättyneeltä vuodelta 0,19 ja 31.12.2013 päättyneeltä vuodelta 5,29.*

[3] Osinkotuotto, % on laskettu osakekohtaisesta osingosta, EUR. Osinkotuotto, % sisältäen osakekohtaisen lisäosingon on 31.12.2015 päättyneeltä vuodelta 3,94, 31.12.2014 päättyneeltä vuodelta 2,13 ja 31.12.2013 päättyneeltä vuodelta 6,36.

[4] Osinko ja lisäosinko vuodelta 2015 perustuvat Nokian hallituksen ehdotukseen. Päätöksen osingon jakamisesta tekee vuoden 2016 varsinainen yhtiökokous.

Marraskuussa 2011 Nokia Networks tiedotti strategiastaan keskittyä mobiiliverkkoihin ja -palveluihin. Se tiedotti myös laajasta globaalista uudelleenjärjestelyohjelmasta, joka lopulta johti sen vuosittaisten operatiivisten kulujen ja tuotantokulujen laskuun yli 1,5 miljardilla eurolla, kun ohjelma saatiin päätökseen vuoden 2013 lopussa. Osana strategiaansa keskittyä mobiiliverkkoihin, Nokia Networks myös luopui useasta ei-ydinliiketoiminnasta.

Vuodesta 2013 eteenpäin Nokia toteutti useita transaktioita muuttaakseen liiketoimintaportfoliotaan. 1.7.2013 Nokia tiedotti sopimuksesta, jolla se osti Siemensiltä sen 50 % osuuden yhtiöiden yhteisyrityksestä Nokia Siemens Networksista. Ostohinta oli 1,7 miljardia euroa ja kauppa toteutettiin 7.8.2013. Nokia tiedotti 3.9.2013, että se oli allekirjoittanut sopimuksen myydäkseen Devices & Services -liiketoimintansa Microsoftille yhteensä 5,44 miljardin euron hintaan, josta 3,79 miljardia liittyivät Devices & Services -liiketoiminnan myyntiin ja 1,65 miljardia liittyivät molemminpuoleiseen patenttilisenssisopimukseen. Transaktion yhteydessä Nokia perusti Nokia Technologies -liiketoiminnan, joka keskittyisi teknologian kehitykseen ja immateriaalioikeusaktiviteetteihin. Transaktio vahvisti merkittävästi

		Yhtiön taloudellista asemaa, ja transaktion jälkeen vuonna 2014 Nokia aloitti pääomarakenteen optimoinnin ja aloitti uudelleen osingonjaon, jakoi ylimääräistä pääomaa osakkeenomistajille ja vähensi korollista velkaansa. 15.4.2015 Nokia jatkoi muutostaan tiedottamalla, että se oli allekirjoittanut sopimuksen Alcatel Lucentin ostamisesta Osakevaihtotarjouksella tarjoamalla 0,5500 uutta Nokian osaketta jokaisesta Alcatel Lucentin osakkeesta. Tiedotteen yhteydessä Nokia julkisti, että se on siitä hetkestä lähtien keskeyttänyt pääomarakenteen optimointiohjelmansa. 3.8.2015 Nokia tiedotti solmineensa sopimuksen HERE-liiketoimintansa myymisestä johtavien autonvalmistajien yhteenliittymälle ja arvioi saavansa hieman yli 2,5 miljardin euron nettotuoton. Kauppa saatiin päätökseen 4.12.2015. Nokia julkisti 29.10.2015 suunnitelmansa 7 miljardin euron pääomarakenteen optimointiohjelmasta ja pääoman palautuksista osakkeenomistajille, minkä ehtona on Alcatel Lucent- ja HERE-transaktioiden toteutuminen sekä kaikkien Nokian ja Alcatel Lucentin vaihtovelkakirjalainojen vaihtaminen osakkeiksi. Nokia saavutti määräysvallan Alcatel Lucentissa 4.1.2016 76,31 %:n osakeomistuksella ja vähintään 76,01 %:lla kaikista äänistä, kun AMF julkaisi Osakevaihtotarjouksen ensisijaisen tarjousajan lopullisen tuloksen. Nokian ja Alcatelin toiminta yhdistyneenä yhtiönä alkoi 14.1.2016. Samana päivänä Nokia käynnisti Osakevaihtotarjouksessa jatketun tarjousajan. Osakevaihtotarjouksen jatketun tarjousajan tulos julkaistiin 10.2.2016, ja sen myötä Nokia tiedotti omistavansa 91,25 % Alcatel Lucentin kaikista osakkeista ja vähintään 91,17 % äänistä.*
D.1	**Liikkeeseen-laskijalle tai sen toimialalle ominaiset riskit**	**Nokia** • Nokian strategiaan liittyy useita riskejä ja epävarmuustekijöitä, mukaan lukien että Nokia ei välttämättä onnistu toteuttamaan strategisia suunnitelmiaan, ylläpitämään tai parantamaan liiketoimintaryhmiensä operatiivista ja taloudellista tulosta, tunnistamaan tai hyödyntämään liiketoimintamahdollisuuksia tai muutoin kasvattamaan liiketoimintaansa.* • Nokia ei välttämättä pysty saavuttamaan Alcatel Lucentin hankinnasta odotettuja hyötyjä, toteuttamaan organisaatio- ja toimintarakennettaan tehokkaasti tai tällä hetkellä odotetussa aikataulussa, mukaan lukien Yhtiön liiketoimintasuunnitelmien onnistunut toteuttaminen, Alcatel Lucentin liiketoiminnan onnistunut integrointi tai tavoiteltujen synergioiden ja muiden tehostamistavoitteiden saavuttaminen.* • Nokian epäonnistuminen jäljellä olevien Alcatel Lucentin Arvopapereiden hankinnassa voi vaikuttaa haitallisesti Nokian Osakkeiden ja Nokian ADS-osaketalletustodistusten markkina-arvoon, eikä Nokia välttämättä kykene saavuttamaan kaikkia annettuja Alcatel Lucentin Arvopapereita koskevasta Osakevaihtotarjouksesta odotettuja hyötyjä täysimääräisesti.* • Yleinen taloustilanne ja markkinoiden olosuhteet sekä muu kehitys maissa, joissa Nokia toimii, voivat vaikuttaa Nokiaan olennaisesti ja haitallisesti.* • Nokia on riippuvainen toimialojensa kehityksestä, mukaan lukien tietotekniikka- ja viestintäala sekä niihin liittyvät palvelumarkkinat. Televiestintäala on syklinen ja monet tekijät vaikuttavat siihen, mukaan lukien yleinen taloustilanne sekä palveluntarjoajien, kuluttajien ja yritysten ostokäyttäytyminen, järjestelmien käyttöönotto, käyttöönottojen ajoitukset ja hankintojen määrä.* • Nokia toimii maailmanlaajuisesti, mikä altistaa Yhtiön poliittisille ja muille alueellisille riskeille, mukaan lukien kehittyvien markkinoiden maissa, joissa saattaa olla suurempia sääntelyyn liittyviä tai poliittisia riskejä, kuten epäsuotuisat tai yllättävät tapahtumat, jotka liittyvät verotukseen, valuuttakontrolliin ja muihin rajoituksiin.*

		• Nokia kohtaa ankaraa kilpailua eikä välttämättä onnistu panostamaan tehokkaasti ja kannattavasti korkealaatuisiin tuotteisiin, palveluihin, päivityksiin ja teknologioihin tai tuomaan niitä markkinoille oikea-aikaisesti.* • Nokia on riippuvainen rajallisesta asiakasmäärästä ja laajoista monivuotisista sopimuksista, minkä seurauksena yksittäisen asiakkaan menettämisellä, operaattoreiden keskittymisellä tai yksittäisiin sopimuksiin liittyvillä ongelmilla voi olla olennaisen haitallinen vaikutus Nokian liiketoimintaan.* • Nokia Technologies ‑liiketoimintaryhmän patenttilisensointituottoihin ja muihin immateriaalioikeuksiin liittyviin tuottoihin liittyy riskejä ja epävarmuustekijöitä, kuten Nokian kyky säilyttää immateriaalioikeuksiin liittyvien tuottojen nykyiset lähteet tai luoda uusia tulonlähteitä. Suhteellisen merkittävä osa nykyisistä patenttilisensoinnin tuotoista on peräisin älypuhelinmarkkinoilta, jotka ovat osoittautuneet hyvinkin muuttuviksi ja joilla toimii rajallinen määrä suuria toimijoita.* • Nokian tuotteet, palvelut ja liiketoimintamallit ovat riippuvaisia Nokian kehittämistä immateriaalioikeuksilla suojatuista teknologioista sekä tiettyjen kolmansien osapuolten Nokialle lisensoimista teknologioista. Tämän seurauksena Nokian käyttämiin tai harkitsemiin teknologioihin liittyvien oikeuksien arviointi on yhä haastavampaa, ja Nokia odottaa kohtaavansa jatkossakin väitteitä siitä, että se olisi rikkonut kolmansien osapuolten immateriaalioikeuksia. Näiden teknologioiden käyttö voi myös johtaa Nokian lisensointikustannusten kasvuun, rajoittaa Nokian kykyä käyttää tiettyjä teknologioita tuotteissaan ja/tai aiheuttaa kalliita ja aikaa vieviä oikeudenkäyntejä.* • Nokian liiketoimintaan sovelletaan suoraa ja epäsuoraa sääntelyä. Tämän seurauksena muutokset erilaisissa säädöksissä tai niiden soveltamisessa sekä nykyisiä tai uusia teknologioita tai tuotteita koskevissa taloudellisissa ja kaupallisissa menettelytavoissavoivat vaikuttaa haitallisesti Nokian liiketoimintaan ja liiketoiminnan tulokseen. Lisäksi Nokian hallintoon, sisäiseen valvontaan ja säädösten noudattamiseen liittyvät prosessit eivät välttämättä pysty estämään sääntelyyn perustuvia seuraamuksia Nokian operatiivisissa tytäryhtiöissä ja yhteisyrityksissä.* • Nokian liiketoimintamalli tukeutuu palvelujen ja ohjelmistojen jakelussa sekä tiedontallennuksessa käytettäviin ratkaisuihin, joihin liittyy väistämättä soveltuvaan sääntelyyn, tietoturvaloukkauksiin ja muuhun mahdolliseen luvattomaan verkkotiedon käyttöön liittyviä riskejä tai muita mahdollisia turvallisuusriskejä, jotka voivat vaikuttaa haitallisesti Nokian liiketoimintaan.* • Nokia Technologies ‑liiketoimintaryhmä tavoittelee liikevaihtoa ja kannattavuutta Nokia-brändiän lisensoinnilla, kehittämällä ja myymällä tuotteita ja palveluita, jotka liittyvät virtuaalitodellisuuteen, digitaaliseen mediaan ja digitaaliseen terveyteen sekä muilla liiketoimintahankkeilla, kuten teknologiainnovoinnilla ja ‑hautomoilla, jotka eivät välttämättä toteudu suunnitelmien mukaisesti tai ollenkaan.* • Nokia toimii erilaisissa sääntelykehyksissä ja useilla lainkäyttöalueilla, joilla säännellään vilpillistä toimintaa sekä talous- ja kauppapakotteita ja ‑periaatteita, ja mahdollisten oikeudenkäyntien ja muiden menettelyjen laajuutta ja lopputulosta on vaikea ennustaan millään varmuudella. Nokian tytäryhtiö Alcatel Lucent on ollut ja on edelleen mukana tutkimuksissa, jotka koskevat korruptiolakien väitettyä rikkomista, ja sille on määrätty ja voidaan jatkossakin määrätä merkittäviä sakkoja tai muita seuraamuksia tällaisten tutkimusten perusteella.* • Nokia toimii useissa maissa, ja tämän seurauksena Nokia saattaa kohdata monimutkaisia vero-ongelmia ja ‑kiistoja ja sitä saatetaan vaatia maksamaan lisää veroja eri maissa.*

		• Nokian toteutunut tai odotettu tulos voi muiden tekijöiden ohella heikentää Nokian kykyä hyödyntää sen laskennallisia verotuottoja.* • Nokia ei välttämättä pysty sitouttamaan, motivoimaan, kehittämään ja rekrytoimaan työntekijöitä, joilla on tarvittavat taidot.* • Nokia saattaa kohdata ongelmia tai häiriöitä erityisesti Mobile Networks ‑liiketoimintaryhmän tuotannossa, palvelujen tuottamisessa, toimituksissa, logistiikassa tai toimitusketjussa. Lisäksi epäsuotuisilla tapahtumilla voi olla olennainen vaikutus tuotantolaitoksiin tai Nokian toimittajien tuotantolaitoksiin, jotka ovat maantieteellisesti keskittyneitä.* • Nokian liiketoimintaan liittyvien oikeudenkäyntien, välimiesmenettelyiden, sopimusriitojen tai tuotevastuuta koskevien väitteiden epäsuotuisilla lopputuloksilla voi olla olennaisen haitallinen vaikutus Yhtiöön.* • Valuuttakurssien vaihtelu vaikuttaa Nokian liikevaihtoon, kustannuksiin ja liiketoiminnan tulokseen sekä Nokian osinkojen arvoon ja Nokian ADS-osaketalletustodistusten markkinahintaan Yhdysvaltain dollareissa.* • Tietotekniikkajärjestelmien tehottomuudella, tietoturvaloukkauksilla, toimintahäiriöillä tai käyttökatkoksilla voi olla olennaisen haitallinen vaikutus Nokian liiketoimintaan ja liiketoiminnan tulokseen.* • Nokia ei välttämättä onnistu optimoimaan pääomarakennettaan suunnitelmien mukaisesti ja palauttamaan luottoluokitustaan investment grade ‑tasolle tai muutoin parantamaan luottoluokituksiaan.* • Kultakin tilikaudelta osakkeenomistajille maksettavan osingon ja pääomanpalautuksen määrä on epävarma.* • Nokia ei välttämättä pysty saavuttamaan suunnitelluista yritysjärjestelyistä tavoiteltuja hyötyjä tai toteuttamaan suunniteltuja yritysjärjestelyitä, tai yritysjärjestelyt voivat johtaa odottamattomiin vastuisiin.* • Nokia on mukana yhteisyrityksissä ja altistuu riskeille, joita väistämättä esiintyy yhteisessä hallinnassa olevissa yrityksissä.* • Puutteet Nokian liikekumppaneiden toiminnassa ja epäonnistuminen kumppanuussopimusten solmimisessa kolmansien osapuolten kanssa voivat vaikuttaa Yhtiöön haitallisesti.* • Nokian toimenpiteet taloudellisen tai operatiivisen suorituksen hallitsemiseksi tai parantamiseksi, kustannussäästöjen toteuttamiseksi, kilpailukyvyn parantamiseksi sekä Alcatel Lucentin hankinnasta odotettavien synergiaetujen saavuttamiseksi eivät välttämättä johda tavoiteltuihin tuloksiin, hyötyihin tai parannuksiin.* • Asiakasrahoituksen epäsuotuisa kehitys tai pidennetyt maksuehdot, joita Nokia tarjoaa asiakkailleen, voivat vaikuttaa Yhtiöön haitallisesti.* • Nokian liikearvon kirjanpitoarvoa ei välttämättä voida kerryttää.* • Nokia altistuu tietyille eläke- ja työntekijärahastoihin liittyville riskeille. Alcatel Lucent -konsernin Yhdysvaltojen eläkeohjelmat ja muut työsuhteen jälkeiset etuusjärjestelyt ovat suuria ja niiden rahoitusvaatimukset vaihtelevat niihin kohdistettujen varojen sijoitustuoton, rahoitusmarkkinoiden maailmanlaajuisen kehityksen, korkojen, järjestelyissä mukana olevien työntekijöiden ja eläkeläisten elinikäodotuksen, terveydenhuollon kustannusten nousun ja lakisääteisten vaatimusten muuttumisen perusteella. Vaikka nämä järjestelyt ovat tällä hetkellä täysin rahoitettuja, ne ovat kalliita, ja Yhtiön toimenpiteet lisärahoitusvaatimusten täyttämiseksi tai kustannusten hallitsemiseksi saattavat osoittautua tehottomiksi.* • Diskonttokorkojen ja sijoitusten arvon vaihtelu vaikuttaa Nokian eläkeohjelmien rahoitettuun osuuteen.* • Eläkeohjelmissa ja työsuhteen päättymisen jälkeen tarjottavissa terveydenhuolto-ohjelmissa mukana olevien henkilöiden elinikä saattaa ylittää odotukset, mikä nostaisi Alcatel Lucentin etuusvastuuta.*

		• Alcatel Lucent ei välttämättä pysty rahoittamaan aikaisempien työntekijöidensä sairaus- ja ryhmähenkivakuutuksia niihin kohdistettavilla ylimääräisillä eläkevaroilla.* • Terveydenhuollon kustannusten nousu ja terveydenhuoltopalvelujen käytön lisääntyminen saattaa kasvattaa merkittävästi Alcatel Lucentilta eläkkeelle siirtyneiden terveydenhuoltokuluja.* • Alcatel Lucentin liiketoimintaan kuuluu merenalaisten tietoliikennekaapeliverkkojen asentaminen ja ylläpito, ja tämän toiminnan yhteydessä se saattaa vahingoittaa aikaisemmin asennettua merenalaista infrastruktuuria, mistä sen voidaan viime kädessä katsoa olevan vastuussa.*

Supplements relating to the section "*Risk Factors—Risk Factors Relating to the Operating Environment, Business and Financing of Nokia*"

The section "*Risk Factors — Risk Factors Relating to the Operating Environment, Business and Financing of Nokia*" on pages 96–119 of the Listing Prospectus is replaced with the following new information.

For the purposes of the Listing Prospectus, the term "Sale of Devices & Services Business" refers to the sale of substantially all of the Devices & Services Business to Microsoft that closed on April 25, 2014. For more information, refer to the section "*Business—Nokia—Material Agreements Outside the Ordinary Course of Business—Sale of the Devices & Services Business to Microsoft*" on pages 245–246 of the Listing Prospectus.

Nokia's strategy is subject to various risks and uncertainties, including that Nokia may be unable to successfully implement its strategic plans, sustain or improve the operational and financial performance of its business groups, correctly identify or successfully pursue business opportunities or otherwise grow its business.

In April 2014, Nokia announced its strategy to become a technology leader in the Programmable World, which it has since endeavored to implement. In 2015 and 2016, Nokia continued implementing its strategy and transformation through the acquisition of Alcatel Lucent and the sale of the HERE business. Nokia's strategy, which includes continued investments in its business and pursuing new business opportunities, may not yield a return on investment as planned or at all. Nokia's ability to achieve strategic goals and targets is subject to a number of uncertainties and contingencies, certain of which are beyond its control, and there can be no assurance that Nokia will be able to achieve the goals or targets it has set. Nokia continuously targets various improvements in its operations and efficiencies. There can be no assurances that its efforts will generate the expected results or improvements in its operations or that Nokia will achieve its financial objectives related to such efforts.

Nokia operates in fast-paced and innovative industries and the opportunities it seeks may require significant investments in innovation in order to generate growth, profitably or other targeted benefits across its business groups. The actions Nokia takes may include investments in research and development ("R&D") (e.g., making significant targeted investments in developing 5G technologies and efforts in IoT), entering into licensing arrangements, acquiring businesses and technologies, recruiting specialized expertise and partnering with third parties. These investments, however, may not result in technologies, products or services that achieve or retain broad or timely market acceptance, answers to the expanding needs or preferences of Nokia's customers or consumers, or break-through innovations that Nokia could otherwise utilize for value creation. As such, Nokia's investments may not be profitable or achieve the targeted return on investment, or any return at all. If Nokia is unable to anticipate and respond to these key market trends in a timely manner, or to actively drive future trends through its product and services development processes, it may not achieve the intended targets of its strategies and objectives, which may materially and adversely affect its business, financial condition and results of operations.

Additionally, Nokia operates in intensely competitive business areas, which may limit its ability to implement its strategy and grow efficiently. Certain of Nokia's competitors have significant resources to invest in market exploration and may seek new monetization models or drive industry development and capture value in areas where Nokia may not currently be competitive or does not have similar resources available to it. These areas may include monetization models linked to large amounts of consumer data, large connected communities, home or other entertainment services, digital media and virtual reality products, healthcare products and services, alternative payment mechanisms or marketing products. Nokia also faces competition from various companies that may be able to develop technologies or products that become preferred over those developed by Nokia or result in adverse effects on it through, for instance, developing technological innovations that make Nokia's innovations less relevant.

Nokia has in the past, and may in the future, acquire or divest assets. Nokia may, however, fail to successfully complete planned acquisitions, divestments or integrate the acquired businesses (e.g. Alcatel Lucent) or assets in order to obtain intended benefits, retain and motivate acquired key employees, or timely discover all liabilities of the acquired business that Nokia assumes knowingly or unknowingly, which may have a material adverse effect on its business. In particular, failure to integrate Alcatel Lucent or to achieve the expected synergies or other benefits from the acquisition of Alcatel Lucent could materially and adversely affect Nokia's business, financial condition and results of operations. Additionally, Nokia makes investments to companies through certain investments funds, including Nokia Growth Partners, and there can be no assurance that such investments will result in new successful technologies that Nokia will be able to monetize.

Nokia may be unable to realize the anticipated benefits from the acquisition of Alcatel Lucent or implement the Company's organizational and operational structure efficiently or within the timeframe currently anticipated, including successfully implementing the Company's business plans, successfully integrating Alcatel Lucent's business or achieving the targeted synergies and other efficiencies.

Nokia has allocated, and will continue to allocate, significant resources to integrating Alcatel Lucent's business and implementing its post-acquisition business plans. Achieving the anticipated benefits, synergies and other efficiencies from the acquisition of Alcatel Lucent will depend largely on the timely and efficient integration of the business operations of Nokia and Alcatel Lucent and the Combined Company's ability to successfully implement the post-acquisition business plans. The integration process involves certain risks and uncertainties, and there can be no assurance that Nokia will be able to integrate Alcatel Lucent in the manner or within the timeframe currently anticipated. Such risks and uncertainties include, among others, the distraction of Nokia's management's attention from its business resulting in performance shortfalls, the disruption of its ongoing business, interference with its ability to maintain its relationships with customers, vendors, regulators and employees, and inconsistencies in its services, standards, controls, procedures and policies, any of which could have a material adverse effect on Nokia's business, financial conditions and/or results of operations. Potential challenges that Nokia may encounter regarding the acquisition of Alcatel Lucent and the subsequent integration process include the following:

- adverse contractual issues with respect to various agreements with third parties (including joint venture agreements, customers, vendors, licensees or other contractual parties), certain financing facilities, pension fund agreements, agreements for the performance of engineering and related work/services, IT agreements, technology, intellectual property rights and licenses, employment agreements or pension and other post-retirement benefits related liability issues;

- inability to retain or motivate key employees and recruit employees;

- disruptions caused, for instance, by reorganizations triggered by the acquisition of Alcatel Lucent, which may result in inefficiency within the new organization through loss of key employees or delays in implementing Nokia's intended structural changes, among other issues;

- inability to achieve the targeted organizational changes, efficiencies or synergies in the targeted time or to the extent targeted, for instance due to inability to streamline overlapping products and services, rationalize Nokia's organization and overhead, reduce overhead and costs or achieve targeted efficiencies, and the risk of new and additional costs associated with implementing such changes;

- inability to rationalize or streamline Nokia's organization, product lines or retire legacy products and related 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 establish new customer relationships, including limitations linked to customer policies with respect to aggregate vendor share or supplier diversity policies or increased efforts from competitors aiming to capitalize on disruptions, for instance, in Nokia's integration processes;

- conditions and regulatory burdens imposed by laws, regulators or industry standards on Nokia's business or adverse regulatory or industry developments or litigation affecting Nokia, as a result of the acquisition of Alcatel Lucent or otherwise;

- potential unknown or larger than estimated liabilities of Alcatel Lucent or other circumstances related to Alcatel Lucent, for instance, due to Nokia not having had full access to Alcatel Lucent's internal records, including, but not limited to, those related to compliance issues, pension and other post-retirement benefit liabilities, regulation relating to pension funds, unforeseen increased expenses, delays or regulatory conditions associated with the integration and Nokia's ability to mitigate anticipated and contingent liabilities;

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

- the coordination of R&D, marketing and other support functions may fail or cause inefficiencies or other administrative burdens caused by operating the combined business;

- Nokia may not be able to successfully maintain the Bell Labs research and innovation capabilities, or the acquisition of Alcatel Lucent or the related integration could have an adverse effect on Bell Labs; and

- potential divestitures of certain businesses or operations, as desired, for which there can be no assurance that Nokia would be successful in executing such a transaction at all or on favorable terms.

As a result of the acquisition of Alcatel Lucent, Nokia has announced new leadership and a new operational structure for its business. Nokia may not be able to efficiently and smoothly implement its new organizational and operational structure, the structure may not be appropriately suited to meet its business plans, the implementation of such structural changes could be more costly than anticipated, and/or unforeseen issues could adversely affect its ability to achieve targeted synergies, leading to material adverse effects on its business, financial condition and/or results of operations.

There can be no assurance that Nokia will achieve the targeted benefits of the acquisition of Alcatel Lucent, including business growth opportunities, cost synergy benefits, increased profitability and other efficiency-related benefits, within the timeframe currently estimated, or that any such benefits can be achieved at all. The anticipated benefits of the acquisition of 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. While certain of these measures have already generated cost savings and operational efficiencies, the full intended benefits of these measures, or any additional initiatives that Nokia may take in the future, may not be realized. Furthermore, there can be no assurance that adverse developments in general economic conditions or other unfavorable changes in Nokia's business environment or technological changes unfavorable to Nokia will not limit, eliminate or delay its ability to realize anticipated benefits, which could have a material adverse effect on its business, financial condition and/or results of operations.

Additionally, the anticipated cost reductions and other benefits expected to arise from the acquisition of 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 Nokia's estimates and such estimates are inherently uncertain. The estimates are based on a number of assumptions made in reliance on the information available to Nokia and management's judgements based on such information, including, without limitation, information relating to the business operations, financial condition and results of operations of Alcatel Lucent. In assessing the acquisition of Alcatel Lucent, Nokia relied on Alcatel Lucent information from the public domain, as well as information provided by Alcatel Lucent and its and Nokia's advisers, where Nokia was unable to verify the accuracy of such information. While Nokia believes these estimated synergy benefits and related costs are reasonable, the underlying assumptions are inherently uncertain and are subject to a 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 expected synergy benefits and related cost estimates.

Nokia's failure to promptly complete the purchases 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 for all outstanding Alcatel Lucent Securities.

Nokia must own (i) 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 (ii) 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 are considered as held by Nokia for the purpose of this calculation). Additionally, 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 for all outstanding Alcatel Lucent Securities.

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, and the market value of the Nokia Shares and the Nokia ADSs, as well as 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, the Autorité des Marchés Financiers 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. Furthermore, there may be additional administrative burdens and other costs related to not being able to complete the squeeze-out.

If Nokia is unable to squeeze out the remaining Alcatel Lucent shareholders and achieve full ownership of Alcatel Lucent, Nokia may be unable to return as much equity to its shareholders as intended.

Nokia may be materially and adversely affected by general economic and market conditions and other developments in the economies where the Company operates.

As Nokia is a company with global operations and sales in many countries around the world, its sales and profitability are dependent on general economic conditions both globally and regionally as well as industry and market developments in numerous diverse markets. Adverse developments in, or the general weakness of, the economy, for instance through increasing levels of unemployment in the markets in which Nokia's customers operate, may have an adverse impact on the spending patterns of end-users. This, in turn, may affect both the services they subscribe to and usage levels of such services, which may lead to mobile operators and service providers investing in related infrastructure and services less than anticipated or investing in low-margin products and services, which could have a material adverse effect on Nokia's business, financial condition, and/or results.

General uncertainty and adverse developments in the financial markets and the general economy could have a material adverse effect on Nokia's ability to obtain sufficient financing. Uncertain market conditions may increase the price of financing or decrease Nokia's availability. Nokia could encounter difficulties in raising funds or access to liquidity, which in turn may have a material adverse effect on its business, financial condition and/or results.

Continued difficulties, uncertainty or deterioration in global or regional economic conditions could have a material adverse effect on Nokia's business, financial condition and results of operations, as well as the future prospects for its business and operations. Moreover, adverse developments in the global financial markets could have a material adverse effect on Nokia's ability to access affordable financing on satisfactory terms, if at all.

Nokia is dependent on the development of the industries in which the Company operates, including the information technology and communications industries and related services market. The telecommunications industry is cyclical and is affected by many factors, including the general economic environment, purchase behavior, deployment, roll-out timing and spending by service providers, consumers and businesses.

Nokia's sales and profitability are dependent on the development of the industries in which it operates, including the information technology and communications and related services market in numerous diverse markets. For instance, Nokia is particularly dependent on the investments made by mobile operators and network service providers in network infrastructure and related services. The pace and size of such investments is in turn dependent on the ability of network service providers and mobile operators to increase their subscriber numbers, reduce churn and compete with business models eroding revenue from the traditional voice, messaging and data transport services by stimulating increased use of voice, data and value-adding services with higher margins, as well as the financial condition of the network service providers and mobile operators. Additionally, market developments favoring new technological solutions, such as SDN, may reduce spending by Nokia's customers or favor its competitors who have a stronger position in such technologies.

The level of demand by service providers and other customers that purchase Nokia's products and services can change quickly and can vary over short periods of time. As a result of the uncertainty and variations in the telecommunications industry, accurately forecasting revenues, results and cash flow remains difficult.

Nokia's success in the industries where it operates is subject to a number of risks and uncertainties, including:

- the intensity of competition;
- further consolidation of Nokia's customers or competitors;
- Nokia's ability to develop products and services in a timely manner, or at all, that meet future technological or quality requirements and challenges at a competitive cost level;
- Nokia's ability to maintain and build-up strategic partnerships in its value creation chain (e.g., in product creation and in project delivery);
- Nokia's ability to correctly estimate technological developments or adapt successfully to such developments;
- the development of the relevant markets and/or industry standards in directions that leave Nokia deficient in certain technologies and industry areas that impact its overall competitiveness;
- the choice of Nokia's customers to turn to alternative vendors to maintain end-to-end services from such vendors;
- Nokia's ability to successfully develop market recognition as a leading provider of software and services in the information technology and communications and related services market;
- Nokia's ability to sustain or grow net sales in its business and areas of strategic focus, which could result in the loss of benefits related to economies of scale and reduced competitiveness;
- Nokia's ability to identify opportunities and enter into agreements that are commercially successful;
- Nokia's ability to continue utilizing current customer relations to advance its sales of related services, or pursue new service-led growth opportunities;
- Nokia's global presence that involves large projects that expose it to various business and operational risks including those related to market developments, political unrest (e.g., in the Ukraine and Russia), economic

and trade sanctions and compliance and anti-corruption related risks, especially with respect to emerging markets; and

- Nokia's ability to maintain efficient and low-cost operations.

Nokia's inability to overcome any of the above risks or uncertainties could have a material adverse effect on its results of operations or financial performance.

Nokia conducts its business globally, exposing it to political and other regional developments, including in emerging market countries, which may have a higher degree of regulatory or political risk, including unfavorable or unpredictable treatment in relation to tax matters, exchange controls, and other restrictions.

Nokia generates sales from, and has manufacturing and other facilities as well as suppliers located in, various countries around the world. Accordingly, regulatory developments, economic developments, political turmoil, military actions, labor unrest, civil unrest, public health, including disease outbreaks, environmental issues (including adverse effects resulting from climate change) and natural and man-made disasters in such countries could have a material adverse effect on Nokia's ability to supply products and services, including network infrastructure equipment manufactured in such countries, and on Nokia's sales and results of operations. In recent years, Nokia has witnessed political unrest in various markets in which it conducts business or in which it has operations, which in turn has adversely affected its sales, profitability or operations in these markets, and in certain cases affected Nokia outside these countries or regions. Any reoccurrence or escalation of such unrest could have a further material adverse effect on Nokia's sales or results of operations. For instance, past events and continued instability in Ukraine and the subsequent international reaction have previously, and may in the future, adversely affect Nokia's business or operations in Ukraine, Russia and/or related markets (e.g., through increased economic uncertainty or a slowdown or downturn attributable to current or increased economic and trade sanctions). Nokia is inherently subject to various issues including potential health and safety issues related to its operations, as well as the operations of its suppliers, and Nokia is exposed to certain risks in relations to claims, disputes or adverse public perceptions caused by such issues.

Nokia has a significant presence in emerging market countries, which has further expanded following the acquisition of Alcatel Lucent, in which the political, economic and legal and regulatory systems are less predictable than in countries with more developed institutions. These markets represent a significant portion of Nokia's total sales, and a significant portion of expected future industry growth. Most of Nokia's suppliers are located in, and its products are manufactured and assembled in, emerging markets, particularly in Asia. Nokia's business and investments in emerging markets may also be subject to risks and uncertainties, including unfavorable or unpredictable treatment in relation to tax matters, exchange controls, and other restrictions affecting its ability to make cross-border transfers of funds, regulatory proceedings, unsound or unethical business practices, challenges in protecting its IPR, nationalization, inflation, currency fluctuations or the absence of, or unexpected changes in, regulation, as well as other unforeseeable operational risks. The purchasing power of Nokia's customers in developing markets depends to a greater extent on the price development of basic commodities and currency fluctuations, which may render Nokia's products or services unaffordable.

Nokia continuously monitors international developments and assesses the appropriateness of its presence and business in various markets, and may increase or reduce its presence or may completely exit certain markets. For instance, as a result of ongoing international developments, Nokia has continued to re-assess its position on doing business in Iran and expanded its activities in a controlled manner in the country in compliance with applicable trade sanctions and regulations. While the international agreement on Iran's nuclear activities has led to a relaxation of international sanctions, many jurisdictions continue to impose various restrictions on conducting business in Iran and the international regulatory framework remains complex. The actions described in this paragraph may have adverse effects on Nokia, for instance through triggering additional investigations, including tax audits by authorities, claims by contracting parties or reputational damage resulting, for instance, in adverse effects to Nokia's business relationships. The results and costs of investigations or claims against Nokia's international operations may be difficult to predict and could lead to lengthy disputes, fines or fees, indemnities or costly settlements.

Nokia faces intense competition and may fail to effectively and profitably invest in new competitive high-quality products, services, upgrades and technologies or bring them to market in a timely manner.

Nokia's business and the markets where it operates are characterized by rapidly evolving technologies, frequent new solutions requirements, product feature introductions and evolving industry standards. Nokia's business performance depends, to a significant extent, on the timely and successful introduction of new products, services and upgrades of current products to meet the evolving requirements of customers, comply with emerging industry standards and address competing technological and product developments carried out by competitors. The R&D of new and innovative, technologically advanced products, as well as upgrades to current products and new generations of technologies, is a complex and uncertain process requiring high levels of innovation and investment, in addition to accurate anticipation of technological and market trends. Nokia may focus its resources on products and technologies that do not become widely accepted or ultimately prove unviable. Nokia's results of operations will depend to a significant extent on its ability to succeed in the following areas:

- maintaining and developing a product portfolio and service capability that is attractive to Nokia's customers;
- continuing to introduce new products and product upgrades successfully and on a timely basis;
- developing new or enhancing existing tools for Nokia's services offerings;
- optimizing the amount of customer or market specific technology, product and feature variants in Nokia's product portfolio;
- continuing to enhance the quality of Nokia's products and services;
- pricing products and services appropriately, which is crucial in the networks infrastructure business due to the typical long-term nature and complexity of the agreements; and
- leveraging Nokia's technological strengths.

The participants in the information technology and communications and related services market compete on the basis of product offerings, technical capabilities, quality and price, as well as available financing arrangements. The competitive environment in this market continues to be intense and is characterized by maturing industry technologies, equipment price erosion and fierce price competition. Moreover, mobile operators' cost reductions, network sharing and industry consolidation among operators has reduced the amount of available business, resulting in further increasing competition and pressure on pricing and profitability. Consolidation of operators may result in a revised selection of vendors and service providers concentrating their business in selected service providers and increasing the possibility that agreements with Nokia are terminated or not renewed.

Nokia competes with companies that have large overall scale, or within certain businesses or fields where Nokia's competitors may operate in a more efficient matter, affording such companies more flexibility on e.g., pricing. Nokia also continues to face intense competition, including companies based in China, which endeavor to gain further market share and broaden their presence in new areas of the network infrastructure and related-services business by providing lower cost products and services. Competition for new customers, as well as for new infrastructure deployment is particularly intense and focused on price and agreement terms in favor of customers. Additionally, new competitors may enter the industry as a result of acquisitions or shifts in technology. For example, the virtualization of core and radio networks and the convergence of IT and telecommunications may lower the barriers to entry for IT companies entering the traditional telecommunications industry or build-up tight strategic partnerships with Nokia's traditional competitors. Additionally, Ericsson and Cisco announced in 2015 a multi-faceted partnership, which aims to compete with companies including Nokia in advanced networks and end-to-end solutions, among other areas. Further, these developments may enable more generic IT, software and hardware to be used in telecommunications networks leading to further pricing pressure. If Nokia is unable to respond successfully to competitive challenges in the markets in which it operates, its business and results of operations, particularly profitability and financial condition, may be materially and adversely affected.

Failure by Nokia to effectively and profitably invest in new competitive products, services, upgrades and technologies and bring them to market in a timely manner could result in a loss of net sales and market share and have a material adverse effect, for instance, on Nokia's results of operations, competitiveness, profitability and financial condition. Nokia must introduce products and services in a cost-efficient and timely manner and manage proactively the costs related to its portfolio of products and services, including component sourcing, manufacturing, logistics and other operations. If Nokia fails to maintain or improve its market position, competitiveness and scale compared to its competitors across the range of its products and services, as well as leverage its scale to the fullest extent, or if Nokia is unable to develop or otherwise acquire software, keep prices at competitive levels, or if its costs increase relative to those of its competitors due to currency fluctuations, among other factors, this could materially and adversely affect its competitive position, business and results of operations, particularly its profitability.

Nokia is dependent on a limited number of customers and large multi-year agreements. Accordingly, a loss of a single customer, operator consolidation or issues related to a single agreement may have a material adverse effect on Nokia's business.

A large proportion of the net sales that Nokia generates, especially from the Mobile Networks business group, have historically been derived from a limited number of customers. As consolidation among existing customers continues, it is possible that an even greater portion of its net sales will be attributable to a smaller number of large service providers operating in multiple markets. As part of Nokia's focus on certain markets, the proportion of the sales to certain key customers in such markets has also grown. These developments are also likely to increase the impact on Nokia's net sales based on the outcome of certain individual agreement tenders.

Mobile operators are increasingly entering into network sharing arrangements, as well as joint procurement agreements, which may reduce their investments and the number of networks available for Nokia to service. Further, procurement organizations of certain large mobile operators sell consulting services to enhance the negotiating position of smaller operators towards their vendors. As a result of these trends and the intense competition in the industry, Nokia may be required to provide increasingly less favorable agreement terms in order to remain competitive. Any unfavorable developments in relation to, or any change in the agreement terms applicable to a major customer may have a material adverse effect on Nokia's business, results of operations and financial condition.

Following the acquisition of Alcatel Lucent, Nokia may lose certain existing agreements, or be unable to renew or gain new agreements due to customer diversity policies that limit the ability of customers to have one network provider exceeding a certain threshold of business in a given market. Policies or practices in certain countries may also limit the possibility for foreign vendors to participate in the provision of networks business over a certain threshold.

Large multi-year agreements, which are typical in the mobile infrastructure and related services business, include a risk that the timing of sales and results of operations associated with such agreements will differ from expectations. Moreover, such agreements often require dedication of substantial amounts of working capital and other resources, which may adversely affect Nokia's cash flow, particularly in the early stages of an agreement term, or may require Nokia to continue to sell certain products and services, or to certain markets, that would otherwise be discontinued, thereby diverting resources from developing more profitable or strategically important products and services, or focusing on more profitable or strategically important markets. Any suspension, termination or non-performance by Nokia under the agreement terms may have a material adverse effect on Nokia (e.g., due to penalties for agreement breaches).

The Nokia Technologies business group's patent licensing income and other intellectual property-related revenues are subject to risks and uncertainties such as Nokia's ability to maintain its existing sources of intellectual property-related revenue or establish new sources for revenue. A proportionally significant share of the current patent licensing income is generated from the smartphone market which has proven to be rather dynamic and features a limited number of large vendors.

Nokia has historically invested significantly in R&D to develop new relevant technologies, products and services for its business. This has led to the Nokia Technologies business group having one of the industry's strongest intellectual property portfolios, including numerous standardized or proprietary patented technologies. Nokia now has two further, distinct and industry leading portfolios: the Nokia Networks and Alcatel Lucent portfolios. Many of Nokia's products and services depend on patents in these portfolios, and Nokia also generates revenue by licensing or through selling patents. Nokia seeks to renew existing license agreements and negotiate new license agreements especially with mobile device manufacturers, while also seeking to expand the scope of its licensing activities to other industries, in particular those that implement mobile communication technologies. In addition to licensing Nokia's SEPs, Nokia may seek to increase the licensing of implementation patents. The continued strength of Nokia's portfolios depends on its ability to create new relevant technologies, products and services through its R&D activities and to protect those with IPR. If those technologies, products and services do not become relevant and therefore attractive to licensees, the strength of its intellectual property portfolios could be reduced, which could adversely affect its ability to use its intellectual property portfolios for revenue generation. Nokia's intellectual property-related revenue can vary considerably from time to time and there is no assurance that past levels are indicative of future levels of intellectual property-related revenue. Additionally, there can be no assurance that Nokia will be able to maintain or increase the income generated by the portfolio acquired as part of the acquisition of Alcatel Lucent.

Despite the steps that Nokia has taken to protect its technology investments with IPR, Nokia cannot be certain that any rights or pending applications will be granted or that the rights granted in connection with any future patents or other IPR will be sufficiently broad to protect its innovations. Third parties may infringe Nokia's intellectual property relating to its proprietary technologies or disregard their obligation to seek a license under Nokia's SEPs or seek to pay less than reasonable license fees.

The Nokia Technologies business group's sales and profitability are currently derived largely from patent licensing. Patent licensing income may be adversely affected by general economic conditions or adverse market developments, as well as regulatory and other developments with respect to protection awarded to technology innovations or compensation trends with respect to licensing. For example, Nokia's patent licensing business may be adversely affected if licensees' ability to pay is reduced or they become insolvent or bankrupt. Additionally, poor performance of potential or current licensees may limit their motivation to seek new or renew existing licensing arrangements with Nokia. In certain cases, patent licensing income is dependent on the sales of the licensee, where the reduced sales of the licensee have a direct effect on the patent licensing income received by the Nokia Technologies business group. With respect to fixed fee agreements, potential licensee bankruptcies would have adverse effects on the patent licensing income attributable to the Nokia Technologies business group.

Nokia retained its entire patent portfolio after the Sale of the Devices & Services Business. Following the Sale of the Devices & Services Business, Nokia Technologies has no longer accepted payments in the form of grant-back licenses, which has contributed to growing licensing revenue. While this has been Nokia's practice, there can be no guarantee that this can be continued in future. In the past, parts of Nokia's intellectual property development were driven by innovation stemming from the Devices & Services business. As Nokia no longer owns this business, the relevance of Nokia's future intellectual property to the technology sector may lessen and Nokia's ability to influence industry trends and technology selections may reduce.

Nokia enforces its patents against unlawful infringement and generates revenue through realizing the value of its intellectual property by entering into license agreements and through patent divestment transactions. Patent license agreements can cover both licensees' past and future sales. The portion of the income that relates to licensees' past sales is not expected to have a recurring benefit and ongoing patent income from licensing is generally subject to various factors that Nokia has little or no control over, for instance sales by the licensees. There are no assurances that Nokia's actions to generate intellectual property-related revenue will lead to favorable outcomes, such as patent license agreements on favorable terms to Nokia, or that Nokia would be able to use its patent portfolio for revenue generation to a similar extent going forward. Issues related to agreement renewal, licensee business performance or bankruptcies affecting Nokia's licensees could have a significant impact on Nokia's revenue. Nokia has mainly focused on licensing its SEPs, but also seeks to monetize other IPR, including implementation patents and other forms of intellectual property. However, there can be no assurances that Nokia will be successful in its effort to broaden the scope of its intellectual property licensing programs.

In certain cases, Nokia has initiated arbitration proceedings to establish the terms of compensation between the parties. Due to the nature of arbitration proceedings, there can be no assurances as to the final outcome or timing of a resolution.

Regulatory developments, actions by authorities, or applications of regulations may adversely affect Nokia's ability to protect its intellectual property or create intellectual property-related revenue. Any patents or other IPR that may be challenged, invalidated or circumvented, and any right granted under Nokia's patents may not provide competitive advantages for Nokia. Nokia's ability to protect and monetize its intellectual property may depend on regulatory developments in various jurisdictions and the implementation of the regulations by administrative bodies. Nokia's ability to protect, license or divest its patented innovations may vary by region. In the technology sector generally, certain licensees are actively avoiding license payments, while some licensors are using aggressive methods to collect license payments, with both behaviors attracting regulatory attention. Authorities in various countries have increasingly monitored patent monetization and may aim to influence terms on which patent licensing arrangements or patent divestments may be executed. Such terms may be limited to a certain country or region; however, authorities could potentially seek to widen the scope and even impose global terms, potentially resulting in an adverse effect on Nokia or limiting its ability to monetize its patent portfolios.

Intellectual property-related disputes and litigation are common in the technology industry and are often used to enforce patents and seek licensing fees. Other companies have commenced and may continue to commence actions seeking to establish the invalidity of Nokia's intellectual property, including its patents. In the event that one or more of Nokia's patents is challenged, a court may invalidate the patent or determine that the patent is not enforceable, which could have an impact on Nokia's competitive position. The outcome of court proceedings is difficult to predict and, consequently, Nokia's ability to use intellectual property for revenue generation may from time to time depend on favorable court rulings. Additionally, if any of Nokia's patents is invalidated, or if the scope of the claims in any patents is limited by a court decision, Nokia could be prevented from using such patents as a basis for product differentiation or from licensing the invalidated or limited portion of its IPR. Even if such a patent challenge is not successful, the related proceedings could be expensive and time-consuming, divert the attention of Nokia's management and technical experts from Nokia's business and have an adverse effect on its reputation. Any diminution of the protection that Nokia's own IPR enjoy could cause Nokia to lose certain benefits of its investments in R&D.

Nokia enters into business agreements separately within its business groups which may grant certain licenses to its patents. Some of these agreements may inadvertently grant licenses to Nokia's patents with a broader scope than intended, or they may otherwise make the enforcement of Nokia's patents more difficult.

Nokia's products, services and business models depend on IPR technologies that Nokia has developed as well as technologies that are licensed to Nokia by certain third parties. As a result, evaluating the rights related to the technologies Nokia uses or intends to use is increasingly challenging, and it expects to continue to face claims that it has allegedly infringed third parties' IPR. The use of these technologies may also result in increased licensing costs for Nokia, restrictions on Nokia's ability to use certain technologies in its products and/or costly and time consuming litigation.

Nokia's products and services include, and its business models depend on, utilization of numerous patented standardized or proprietary technologies. Nokia invests significantly in R&D through its business to develop new relevant technologies, products and services. Nokia's R&D activities have resulted in Nokia having one of the industry's strongest intellectual property portfolios, which its products and services and future cash generation and income depend on. Nokia believes its innovations that are protected by IPR are a strong competitive advantage for its business. The continued strength of Nokia's portfolios depends on its ability to create new relevant technologies, products and services through its R&D activities.

Nokia's products and services include increasingly complex technologies that Nokia has developed or that have been licensed to Nokia by certain third parties. The amount of such proprietary technologies and the number of parties claiming IPR continue to increase, even within individual products, as the range of Nokia's products becomes more diversified and as the complexity of the technology increases. Additionally, Nokia may enter into new business areas involving complex technologies. As such Nokia continues to face the possibility of alleged infringement and related intellectual property claims against these going forward. The holders of patents and other IPR potentially relevant to Nokia's products may be unknown to Nokia, may have different business models, may refuse to grant licenses to their proprietary rights, or may otherwise make it difficult for Nokia to acquire a license on commercially acceptable terms. There may also be technologies licensed to and relied on by Nokia that are subject to alleged infringement or other corresponding allegations or claims by others which could impair Nokia's ability to rely on such technologies.

Additionally, although Nokia endeavors to ensure that companies collaborating with Nokia possess appropriate IPR or licenses, Nokia cannot fully avoid the risks of IPR infringement created by suppliers of components and various layers in its products, or by companies with which it collaborates in R&D activities. Similarly, Nokia and its customers may face claims of infringement in connection with their use of Nokia's products.

In line with standard industry practice, Nokia generally indemnifies its customers for certain intellectual property-related infringement claims related to products or services purchased from Nokia. Such claims are generally made directly to Nokia's customer and Nokia may have limited possibilities to control the processes or evaluate the outcomes advance. As such, indemnifications can result in significant payment obligations for Nokia that may be difficult to predict in advance.

The business models for many areas in advanced IT, including mobile services, may not be clearly established. The lack of availability of licenses for copyrighted content, delayed negotiations or restrictive licensing terms may have a material adverse effect on the cost or timing of content-related services offered by Nokia, mobile network operators or third-party service providers.

Since all technology standards that Nokia uses and relies on, include certain IPR, Nokia cannot fully avoid risks of a claim for infringement of such rights due to its reliance on such standards. Nokia believes the number of third parties declaring their intellectual property to be potentially relevant to these standards; for example, the standards related to so-called 3G and LTE mobile communication technologies, as well as other advanced mobile communications standards including the forthcoming 5G standard, is increasing, which may increase the likelihood that Nokia will be subject to such claims in the future. As the number of market entrants and the complexity of technology increases, it remains likely that Nokia will need to obtain licenses with respect to existing and new standards from other licensors. While Nokia believes most such IPR declared or actually found to be essential to a particular standard carries an obligation to be licensed on fair, reasonable and non-discriminatory terms, not all intellectual property owners agree. As a result, Nokia has experienced costly and time-consuming litigation over such issues and it may continue to experience such litigation in the future.

From time to time, certain existing patent licenses may expire or otherwise become subject to renegotiation. The inability to renew or finalize such arrangements or renew licenses with acceptable commercial terms may result in costly and time-consuming litigation, and any adverse result in any such litigation may lead to restrictions on Nokia's ability to sell certain products and could result in payments that could potentially have a material adverse effect on Nokia's operating results and financial condition. These legal proceedings may continue to be expensive and time-consuming and divert the efforts of Nokia's management and technical experts from its business, and, if decided against Nokia, could result in restrictions on Nokia's ability to sell its products, require it to pay increased licensing fees, unfavorable judgments, costly settlements, fines or other penalties and expenses.

Nokia's patent license agreements may not cover all the future businesses that Nokia may enter, Nokia's existing business may not necessarily be covered by its patent license agreements if there are changes in Nokia's corporate structure or Nokia's subsidiaries, or Nokia's newly-acquired businesses may already have patent license agreements with terms that differ from similar terms in Nokia's patent license agreements. This may result in increased costs, restrictions in the use of certain technologies or time-consuming and costly disputes whenever there are changes in Nokia's corporate structure or Nokia's subsidiaries, or whenever Nokia enters into new business areas or acquires new businesses.

Nokia makes accruals and provisions to cover its estimated total direct IPR costs for its products. The total direct IPR costs consist of actual payments to licensors, accrued expenses under existing agreements and provisions for potential liabilities. Nokia believes its accruals and provisions are appropriate for all technologies owned by third parties. The ultimate outcome, however, may differ from the provided level, which could have a positive or adverse impact on Nokia's results of operations and financial condition.

Any restrictions on Nokia's ability to sell its products due to expected or alleged infringements of third-party IPR and any IPR claims, regardless of merit, could result in a material loss of profits, costly litigation, the obligation to pay damages and other compensation, the diversion of the attention of Nokia's key employees, product shipment delays or the need for Nokia to develop non-infringing technology or to enter into a licensing agreement on unfavorable commercial terms. If licensing agreements are not available on commercially acceptable terms, Nokia could be precluded from making and selling the affected products, or could face increased licensing costs. As new features are added to Nokia's products, Nokia may need to acquire further licenses, including from new and sometimes unidentified owners of intellectual property. The cumulative costs of obtaining any necessary licenses are difficult to predict and may over time have a material adverse effect on Nokia's operating results.

Nokia's business is subject to direct and indirect regulation. As a result, changes in various types of regulations or their application, as well as economic and trade policies applicable to current or new technologies or products, may adversely affect Nokia's business and results of operations. Nokia's governance, internal controls and compliance processes could also fail to prevent regulatory penalties, both at operating subsidiaries and in joint ventures.

Nokia's business is subject to direct and indirect regulation in each of the countries and regions where Nokia, the companies with which Nokia collaborates and its customers operate. Nokia develops many of its products based on existing regulations and technical standards, its interpretation of unfinished technical standards or in certain cases in the absence of applicable regulations and standards. As a result, changes in various types of regulations or their application, as well as economic and trade policies applicable to current or new technologies or products, may adversely affect Nokia's business and results of operations. For example, changes in regulation affecting the construction of base stations and other network infrastructure could adversely affect the timing and costs of new network constructions or the expansion and commercial launch and ultimate commercial success of such networks. Also, changes in applicable privacy-related regulatory frameworks or their application may adversely affect Nokia's business, including possible changes that increase costs, limit or restrict possibilities to offer products or services, or reduce or could be seen to reduce the privacy aspects of its offerings, including if further governmental interception capabilities or regulations aimed at allowing governmental access to data are required for the products and services that Nokia offers. Additionally, countries could require governmental interception capabilities or regulations aimed at allowing governmental access to data that could adversely affect Nokia by reducing its sales to such markets or limiting its ability to use components or software that it has developed or sourced from other companies. Further, Nokia's business and results of operations may be adversely affected by regulation, as well as economic and trade policies favoring the local industry participants, as well as other measures with potentially protectionist objectives that host governments in various countries may take, particularly in response to challenging global economic conditions or following changes in political regimes. The impact of changes in or uncertainties related to regulation and trade policies could affect Nokia's business and results of operations adversely or indirectly in certain cases where the specific regulations do not directly apply to Nokia or its products and services.

The regulatory, exports and sanctions legal environment can also be difficult to navigate for companies with global operations. Nokia's ability to protect its intellectual property and generate intellectual property-related net sales is dependent on regulatory developments in various jurisdictions, as well as the application of the regulations, for instance through administrative bodies. Export control, tariffs or other fees or levies imposed on Nokia's products and environmental, health, product safety and data protection, security, consumer protection, money laundering and other regulations that adversely affect the export, import, technical design, pricing or costs of Nokia's products could also adversely affect Nokia's sales and results of operations. Additionally, changes in various types of regulations or their application with respect to taxation or other fees collected by governments or governmental agencies may result in unexpected payment obligations, and in response to prevailing difficult global economic conditions there may be an increased aggressiveness in collecting such fees. Nokia may be subject to new, existing or tightened export control regulations, sanctions, embargoes or other forms of economic and trade restrictions imposed on certain countries. Such actions may trigger additional investigations, including tax audits by authorities or claims by contracting parties. The results and costs of such investigations or claims may be difficult to predict and could lead to lengthy disputes, fines or fees, indemnities or a costly settlement.

Nokia's provision of services and adaptation of Cloud-based solutions has resulted in Nokia being exposed to a variety of new regulatory issues (e.g., data privacy) and makes Nokia subject to increased regulatory scrutiny. Nokia's current business models rely on certain centralized data processing solutions and Cloud or remote delivery-based services for distribution of services and software or data storage. The Cloud or remote delivery-based services for distribution of services and software or data storage. The Cloud or remote deliver-based business models and operations have certain inherent risks, including those stemming from the potential security breaches, and applicable regulatory regimes may cause limitations in implementing such business models or expose Nokia to regulatory or contractual actions.

Moreover, Nokia’s competitors have employed and will likely continue to employ significant resources to shape the legal and regulatory regimes in countries where Nokia has significant operations. Governments and regulators may make legal and regulatory changes or interpret and apply existing laws in ways that make Nokia’s products and services less appealing to end users or require Nokia to incur substantial costs, change its business practices or prevent Nokia from offering its products and services.

Nokia operates on a global scale and its business and activities cover multiple jurisdictions and are subject to complex regulatory frameworks. Current international trends show increased enforcement activity and enforcement initiatives in areas such as competition law and anti-corruption. Despite Nokia’s Group-wide annual ethical business training and other efforts including a compliance risk assessment, which aims to ensure knowledge of best practices related to governance and compliance processes, Nokia may not be able to prevent breaches of law or governance standards within its business, subsidiaries and joint ventures.

Both Nokia and Alcatel Lucent are publicly listed companies. As such, they are subject to various securities and accounting rules and regulations. While Nokia has determined that its respective internal control over financial reporting was effective as of December 31, 2015, it must continue to monitor and assess its internal control over financial reporting and its compliance with the applicable securities regulation and accounting rules and regulations. Nokia’s operating subsidiaries or Nokia’s joint ventures’ failure to maintain effective internal controls over financial reporting or to comply with the applicable securities and accounting rules and regulations, could adversely affect the accuracy and timeliness of Nokia’s financial reporting, which could result, for instance, in loss of confidence in Nokia or in the accuracy and completeness of its financial reports, or otherwise in the imposition of fines or other regulatory measures, which could have a material adverse effect on Nokia.

Nokia’s business model relies on solutions for distribution of services and software or data storage, which entail inherent risks relating to applicable regulatory regimes, cybersecurity breaches and other unauthorized access to network data or other potential security risks that may adversely affect Nokia’s business.

Nokia’s current business models rely on certain centralized data processing solutions and Cloud or remote delivery-based services for distribution of services and software or data storage. The Cloud or remote delivery-based business models and operations have certain inherent risks, including those stemming from potential security breaches and applicable regulatory regimes, which may cause limitations in implementing Cloud or remote delivery-based models or expose Nokia to regulatory or contractual actions.

Although Nokia endeavors to develop products and services that meet with the appropriate security standards, including effective data protection, Nokia or its products and online services, marketing and developer sites may be subject to cybersecurity breaches, including hacking, viruses, worms and other malicious software, unauthorized modifications or illegal activities that may cause potential security risks and other harm to Nokia, its customers or consumers and other end-users of its products and services. Events or allegations of cybersecurity breaches may have a material adverse effect on Nokia’s business. IT is rapidly evolving, the techniques used to obtain unauthorized access or sabotage systems change frequently and the parties behind cyber-attacks and other industrial espionage are believed to be sophisticated and have extensive resources, and it is not commercially or technically feasible to mitigate all known vulnerabilities in a timely manner or to eliminate all risk of cyber-attacks and data breaches. Additionally, Nokia contracts with multiple third parties in various jurisdictions who collect and use certain data on Nokia’s behalf. Although Nokia has processes in place designed to ensure appropriate collection, handling and use of such data, third parties may use the data inappropriately or breach laws and agreements in collecting, handling or using or leaking such data. This could lead to lengthy legal proceedings or fines imposed on Nokia, as well as adverse effects to Nokia’s reputation and brand value.

In connection with providing products and services to Nokia’s customers and consumers, certain customer feedback, information on consumer usage patterns and other personal and consumer data are collected and stored through Nokia, either by Nokia or its business partners or subcontractors. Loss, improper disclosure or leakage of any personal or consumer data collected by Nokia or which is available to its partners or subcontractors, made available to it or stored in or through its products could have a material adverse effect on Nokia and harm its reputation and brand. Nokia has outsourced a significant portion of its IT operations, as well as through the network and information systems that it sells to third parties or for whose security and reliability it may otherwise be accountable. Additionally, governmental authorities may use Nokia's networks products to access the personal data of individuals without Nokia's involvement; for example, through the so-called lawful intercept capabilities of network infrastructure. Even the perception that Nokia's products do not adequately protect personal or consumer data collected by Nokia, made available to Nokia or stored in or through its products or that they are being used by third parties to access personal or consumer data could impair Nokia's sales, results of operations, reputation and brand value.

Unauthorized third parties have targeted Alcatel Lucent's information systems, using sophisticated attempts, referred to as advanced persistent threats, "phishing" and other attacks. Such attempts to access Alcatel Lucent's information systems have been successful on one occasion in 2013, on two occasions in 2014 and on one occasion in 2015, partially reflecting the overall increase in the number of attacks around the world and more specifically in Alcatel Lucent's industry. Alcatel Lucent investigated the impact of these attacks and, with respect to the attacks in 2013 and 2014, although Alcatel Lucent has no reason to believe that sensitive information was actually compromised, Alcatel Lucent is not in a position to be certain, as the investigations showed that some data was extracted. Alcatel Lucent continues to take corrective actions that Alcatel Lucent believes will substantially mitigate the risk that such attacks will materially impact its business or operations, or those of its customers. However, as cyber-attacks can be difficult to detect, Nokia cannot rule out that there may have been other cyber-attacks that have been successful and/or evaded detection.

Nokia's business is also vulnerable to theft, fraud or other forms of deception, sabotage and intentional acts of vandalism by third parties, as well as Nokia's employees. Unauthorized access to or modification, misappropriation or loss of, Nokia's intellectual property and confidential information could result in litigation and potential liability to customers, suppliers and other third parties, harm Nokia's competitive position, reduce the value of Nokia's investment in R&D and other strategic initiatives or damage Nokia's brand and reputation, which could have a material adverse effect on Nokia's business, results of operations or financial condition. Additionally, the cost and operational consequences of implementing further information system protection measures could be significant. Nokia may not be successful in implementing such measures, which could cause business disruptions and be more expensive, time consuming and resource-intensive. Such disruptions could adversely impact Nokia's business.

As Nokia's business operations, including those Nokia has outsourced, rely on complex IT systems and networks (and related services), Nokia's reliance on the precautions taken by external companies to insure the reliability of its and their IT systems, networks and related services is increasing. Consequently, certain disruptions in IT systems and networks affecting Nokia's external providers could have a material adverse effect on its business due to disruptions, breaches or the like.

The Nokia Technologies business group aims to generate net sales and profitability through licensing of the Nokia brand, the development and sales of products and services in the areas of virtual reality, digital media and digital health, as well as other business ventures including technology innovation and incubation, which may not materialize as planned or at all.

The Nokia Technologies business group pursues various business opportunities building on Nokia's innovations and the Nokia brand. In addition to patent licensing, the Nokia Technologies business group is focused on generating net sales and profits through business ventures related to licensing the Nokia brand, virtual reality, digital media and digital health as well as other business ventures including technology innovation and incubation, focused on developing new ideas and prototypes.

There can be no assurance that Nokia will successfully reach brand licensing arrangements at all or on terms that prove satisfactory to Nokia. Additionally, licensing the Nokia brand to device manufacturers could—in cases where the licensee acts inconsistently with Nokia's ethical, compliance or quality standards—negatively affect Nokia's reputation and the value of its brand, thus diminishing the business potential with respect to utilizing Nokia's brand for licensing opportunities or otherwise having a negative effect on Nokia's business. The Nokia Technologies business group develops and licenses various innovations as well as develops its own products, including the OZO virtual reality camera in 2015. The contract manufacturing and selling of devices can expose Nokia to risks, including product liability claims or claims from contract manufacturers.

The industries in which Nokia operates, or may operate in the future, are generally fast-paced, rapidly evolving and innovative. Such industries are at different levels of maturity, and there can be no assurances that any investment Nokia makes will yield an expected return or result in the intended benefits. Nokia's business will likely require significant well-placed investments to innovate and grow successfully. Such investments may include R&D, licensing arrangements, acquiring businesses and technologies, recruiting specialized expertise and partnering with third parties. Such investments may not, however, result in technologies, products or services that achieve or retain broad or timely market acceptance or are preferred by Nokia's customers and consumers. Additionally, Nokia is entering into new business areas based on its technology assets and may explore new business ventures. Such business areas or plans may be adversely affected by adverse industry and market developments in the numerous diverse markets in which Nokia operates, as well as by general economic conditions globally and regionally. As such, the investments may not be profitable or achieve the targeted rates of return. There can be no assurances that Nokia will be able to identify and understand the key market trends and user segments enabling Nokia to address customers' and consumers' expanding needs in order to bring new innovative and competitive products and services to market in a timely manner.

There can be no assurances that the Nokia Technologies business group will be successful in innovation and incubation or in generating net sales and profits through its business plans, for instance in technology and brand licensing, products in the areas of virtual reality, digital media and health. Additionally, entering into new business areas may expose Nokia to additional liabilities or claims, for instance through product liability or other regulatory frameworks and related government investigations, litigation, penalties or fines.

Nokia is subject to various legislative frameworks and jurisdictions that regulate fraud as well as economic and trade sanctions and policies, and as such, the extent and outcome of possible proceedings is difficult to estimate with any certainty. Nokia's subsidiary Alcatel Lucent has been, and continues to be, involved in investigations concerning alleged violations of anti-corruption laws, and has been, and could again be, subject to material fines, penalties and other sanctions as a result of such investigations.

As a global company, Nokia is subject to various legislative frameworks and jurisdictions that regulate fraud committed in the course of business operations, as well as economic and trade sanctions and, as such, the extent and outcome of possible proceedings is difficult to estimate with any certainty. Anti-corruption laws in effect in many countries prohibit companies and their intermediaries from making improper payments to public officials for the purpose of obtaining new business or maintaining existing business relationships. Certain anti-corruption laws such as the U.S. Foreign Corrupt Practices Act ("FCPA") also require the maintenance of proper books and records, and the implementation of controls and procedures in order to ensure that a company's operations do not involve corrupt payments. Since Nokia operates throughout the world, and given that some of its clients are government-owned entities and that its projects and agreements often require approvals from public officials, there is a risk that Nokia's employees, consultants or agents may take actions that are in violation of Nokia's policies and of anti-corruption laws. In many parts of the world where Nokia currently operates or seeks to expand its business, local practices and customs may be in contradiction to its policies, including the Nokia Code of Conduct, and could violate anti-corruption laws, including the FCPA and the UK Bribery Act 2010, and applicable European Union regulations, as well as applicable economic and trade sanctions and embargoes. Nokia's employees, or other parties acting on Nokia's behalf, could violate policies and procedures intended to promote compliance with anti-corruption laws or economic and trade sanctions. Violations of these laws by Nokia's employees or other parties acting on its behalf, regardless of whether Nokia had participated in such acts or had knowledge of such acts at certain levels within its organization, could result in Nokia or its employees becoming subject to criminal or civil enforcement actions, including fines or penalties, disgorgement of profits and suspension or disqualification of sales. Additionally, violations of law or allegations of violations may result in reputational harm and loss of business and adversely affect Nokia's brand and reputation. Detecting, investigating and resolving such situations may also result in significant costs, including the need to engage external advisers, and consume significant time, attention and resources from Nokia's management and other key employees. The result and costs of such investigations or claims may be difficult to predict and could lead to, for instance, lengthy disputes, fines, fees or indemnities, costly settlement or the deterioration of the Nokia brand.

In the past, Alcatel Lucent has experienced both actual and alleged violations of anti-corruption laws, including of the FCPA. As a result, Alcatel Lucent has had to pay substantial amounts to the U.S. Securities and Exchange Commission in disgorgement of profits and interest, and to the U.S. Department of Justice (the "DOJ") in criminal fines. In 2010, Alcatel Lucent signed a deferred prosecution agreement (the "DPA") with the DOJ, pursuant to which the prosecution for violations of the internal controls and books and records provisions of the FCPA would be deferred for the term of the DPA. Among other things, the DPA contained provisions requiring the engagement of a French anti-corruption compliance monitor (the "Monitor"). Alcatel Lucent worked with the Monitor to implement its recommendations, most of which were focused on strengthening the resources dedicated to the compliance organization of Alcatel Lucent Group, and on enhancing and expanding its policies and procedures, including those Alcatel Lucent use when Alcatel Lucent retains third parties (such as distributors and suppliers).

On December 8, 2014, the Monitor submitted a final report and certified that Alcatel Lucent's compliance program, including its policies and procedures, is reasonably designed and implemented to prevent and detect violations of anti-corruption laws within Alcatel Lucent as defined in and required by the DPA. Following receipt of the Monitor's final report, the DOJ filed a motion to dismiss with prejudice the FCPA charges underlying the DPA, which the court granted on February 9, 2015.

Alcatel Lucent had to make certain payments to the Costa Rican *Attorney General* and the *Instituto Costarricense de Electricidad* in settlement of anti-corruption claims in Costa Rica. Alcatel Lucent is also subject to certain other ongoing investigations and proceedings in France and Nigeria, which may result in further material damages, fines, penalties and other sanctions, and in its inability to participate in certain public procurement agreements in those countries.

There can be no assurance that Nokia would not be subject to material fines, penalties and other sanctions as a result of similar events outlined in this risk factor. Any damages, fines, penalties or other sanctions attributable to Alcatel Lucent could have a material adverse effect on Nokia's brand, reputation or financial position.

Nokia has operations in a number of countries and, consequently, risks facing complex tax issues and disputes and could be obligated to pay additional taxes in various jurisdictions.

Nokia operates in a number of jurisdictions, which involve different tax regimes and application of rules related to taxation. Applicable taxes such as income taxes, as well as indirect taxes and social taxes, for which Nokia makes provisions, could increase significantly as a result of changes in applicable tax laws in the countries in which Nokia operates, the interpretation of such laws by local tax authorities could drastically change or tax audits may be performed by local tax authorities. The impact of these factors is dependent on the types of revenue and mix of profit Nokia generates in various countries, for instance, income from sales of products or services may have different tax treatments.

Nokia is subject to income taxes in multiple jurisdictions. Nokia's business and the investments it makes globally, especially in emerging markets, are subject to uncertainties, including unfavorable or unpredictable changes in tax laws (possibly with retroactive effect in certain cases), taxation treatment and regulatory proceedings including tax audits. For instance, during early 2013 Nokia was subject to a tax investigation in India, focusing on Indian tax consequences of payments made within Nokia for the supply of operating software from Nokia's parent company in Finland. Such proceedings can be lengthy, involve actions that can hinder local operations and affect unrelated parts of Nokia's business, and the outcome of such proceedings is difficult to predict.

Nokia's acquisition of Alcatel Lucent may result in adverse tax consequences arising from a change of ownership of Alcatel Lucent, including, but not limited to, stamp duties, land transfer taxes, franchise taxes and other levies. Additionally, there may be other potential tax consequences related to the acquisition of Alcatel Lucent of which Nokia is not currently aware, which may result in significant tax consequences now or in the future.

Adverse developments or outcomes of such proceedings could have a material adverse effect on Nokia's cash flow and financial position. Nokia is required to indemnify Microsoft for certain tax liabilities, including (i) tax liabilities for the Nokia entities acquired by Microsoft in connection with the closing of the Sale of the Devices & Services Business, (ii) the assets acquired by Microsoft attributable to tax periods ending on or prior to the closing date of the closing of the Sale of the Devices & Services Business, (iii) a certain pre-closing portion of any taxable period that includes the closing date of the Sale of the Devices & Services Business and (iv) taxes imposed with respect to any asset not acquired by Microsoft in connection with the Sale of the Devices & Services Business. Nokia is also required to indemnify the German automotive industry consortium (the "Consortium") to which the HERE business was sold for certain tax liabilities, including tax liabilities for the acquired HERE entities by the Consortium in connection with the closing of the sale of the HERE business attributable to (i) tax periods ending on or prior to the closing date of the closing of the sale of the HERE business, and (ii) a certain pre-closing portion of any taxable period that includes the closing date of the sale of the HERE business.

There may also be unforeseen tax expenses that may turn out to have an unfavorable impact on Nokia. As a result and given the inherent unpredictable nature of taxation, there can be no assurance that Nokia's tax rate will remain at the current level or that cash flows regarding taxes will be stable.

Nokia's actual or anticipated performance, among other factors, could reduce the Company's ability to utilize its deferred tax assets.

Deferred tax assets recognized on tax losses, unused tax credits and tax deductible temporary differences are dependent on Nokia's ability to offset such items against future taxable income within the relevant tax jurisdiction. Such deferred tax assets are also based on Nokia's assumptions on future taxable earnings and these may not be realized as expected, which may cause the deferred tax assets to be materially reduced. There can be no assurances that an unexpected reduction in deferred tax assets will not occur. Any such reduction could have a material adverse effect on Nokia. Additionally, Nokia's earnings have in the past been and may in the future continue to be unfavorably affected in the event that no tax benefits are recognized for certain deferred tax items.

It is possible that the acquisition of Alcatel Lucent results 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.

Nokia may be unable to retain, motivate, develop and recruit appropriately skilled employees.

Nokia's success is dependent on its ability to retain, motivate, develop (through periodic competence training) and recruit appropriately skilled employees. The market for skilled employees and leaders in Nokia's business is extremely competitive.

Nokia aims to create a corporate culture that is motivational and encourages creativity and continuous learning, as competition for skilled employees remains intense. Nokia's workforce has fluctuated significantly over recent years as the Company has introduced changes in its strategy to respond to the Company's business targets and endeavors. Such changes and uncertainty have caused and may in the future cause disruption and dissatisfaction among employees, as well as fatigue due to the cumulative effect of several reorganizations over the past years and Nokia's efforts to implement the new operational structure for its business following the acquisition of Alcatel Lucent. As a result, employee motivation, energy, focus, morale and productivity may be reduced, causing inefficiencies and other problems across the organization resulting in the loss of key employees and increased costs in resolving and addressing such matters. Reorganizations and strategic changes may also result in key employees leaving Nokia or resource gaps, certain of which may only be noticed after a certain period of time or which negatively impact the relationship to customers, vendors or other business partners. If the strategic direction or Nokia's business is perceived adversely by Nokia's employees, this may result in a heightened risk of being able to retain or recruit employees. Moreover, Nokia's employees may be targeted aggressively by its competitors, particularly, due to changes in Nokia's strategy or to the acquisition of Alcatel Lucent, and certain employees may be more receptive to such offers, resulting in the loss of key individuals. Accordingly, Nokia may need to adjust its compensation and benefit policies and take other measures to attract, retain and motivate skilled employees to align with the changes to Nokia's culture and business in order to implement its new strategies successfully.

Implementing new organizational structures may entail plans to relocate or lay-off employees, close or consolidate sites or outsource parts of the business operations. Such strategy related changes may result in implementation costs, as well as displacement or insecurity among employees resulting in the inability to retain required skills and key employees, resulting in resource gaps and which could have a material adverse effect on Nokia's operations. Also, planned efforts to rebalance Nokia's workforce may not be completed as planned and may result in larger than expected costs or Nokia may not be able to complete such efforts as planned for instance due to legal restrictions, resulting in a non-optimal workforce that could hinder Nokia's ability to reach targeted cost savings. Additionally, succession planning especially with respect to key employees and leaders is crucial to avoid business disruptions and to ensure the appropriate transfer of knowledge. Nokia has through the acquisition of Alcatel Lucent, and may from time to time, acquire businesses or complete other transactions where retaining key employees may be crucial to obtain intended benefits of such transactions. Nokia must ensure that key employees of such acquired businesses are retained and appropriately motivated. However, there can be no assurances that Nokia will be able to implement measures successfully to retain or hire the required employees. Nokia believes this will require significant time, attention and resources from the Company's senior management and other key employees within its organization and may result in increased costs. Nokia has encountered, and may in the future encounter, shortages of appropriately skilled employees or lose key employees or senior management, which may hamper Nokia's ability to implement its strategies and may have a material adverse effect on Nokia's business and results of operations.

Relationships with employee representatives are generally managed at the site level and most collective bargaining agreements have been in place for several years. Nokia's inability to negotiate successfully with employee representatives or failures in Nokia's relationships with such representatives could result in strikes by the employees, increased operating costs as a result of higher wages or benefits paid to employees as the result of such strike or other industrial action and/or inability to implement changes to Nokia's organization and operational structure in the planned timeframe or expense level, or at all. If Nokia's employees were to engage in a strike or other work stoppage, Nokia could experience a significant disruption in its day-to-day operations and/or higher ongoing labor costs, which could have a material adverse effect on Nokia's business and results of operations.

Nokia may face problems or disruptions especially within the Mobile Networks business groups' manufacturing, service creation, delivery, logistics or supply chain. Additionally, adverse events may have a profound impact on production sites or the production sites of Nokia's suppliers, which are geographically concentrated.

Nokia's product manufacturing, service creation and delivery, as well as Nokia's logistics, are complex, require advanced and costly equipment and include outsourcing to third parties. These operations are continuously modified in an effort to improve the efficiency and flexibility of Nokia's manufacturing, service creation and delivery, as well as Nokia's logistics function and ability to produce, create and distribute continuously changing volumes. Nokia, or third parties that it outsources services to, may experience difficulties in adapting Nokia's supply to meet the changing demand for Nokia's products and services, ramping up and down production at Nokia's facilities, adjusting Nokia's network implementation capabilities as needed on a timely basis, maintaining an optimal inventory level, adopting new manufacturing processes, finding the most timely way to develop the best technical solutions for new products, managing the increasingly complex manufacturing process, service creation and delivery process or achieving required efficiencies and flexibility.

Nokia's manufacturing operations depend on obtaining sufficient quantities of fully functional products, components, sub-assemblies, software and services on a timely basis. Nokia's principal supply requirements for its products are for electronic components, mechanical components and software, which all have a wide range of applications in Nokia's products.

In certain cases, a particular component or service may be available only from a limited number of suppliers or from a single supplier in the supply chain. Additionally, Nokia's dependence on third-party suppliers has increased as a result of its strategic decisions to outsource certain activities. Suppliers may from time to time extend lead times, limit supplies, change their partner preferences, increase prices, provide poor quality supplies or be unable to adapt to changes in demand due to capacity constraints or other factors, which could adversely affect Nokia's ability to deliver its products and services on a timely basis. For example, Nokia's efforts to meet its customer needs during major network roll-outs in certain markets may require sourcing large volumes of components and services from suppliers and vendors at short notice and simultaneously with Nokia's competitors. If Nokia fails to anticipate customer demand properly, an over-supply or under-supply of components and production or services delivery capacity could occur. In many cases, some of Nokia's competitors utilize the same contract manufacturers, component suppliers and service vendors. If they have purchased capacity or components ahead of Nokia, this could prevent Nokia from acquiring the required components or services, which could limit Nokia's ability to supply its customers or increase its costs.

Nokia may not be able to secure components on attractive terms from its suppliers or, a supplier may fail to meet Nokia's supplier requirements, such as Nokia's and its customers' product quality, safety, security and other standards. Consequently, some of Nokia's products may be unacceptable to Nokia following failure to meet its quality controls or unacceptable to Nokia's customers. Nokia may also be subject to damages due to product liability claims arising from defective products and components or services that may need to be replaced. Also, certain suppliers may not comply with local laws, including, among others, local labor laws. Additionally, a component supplier may experience delays or disruptions to Nokia's manufacturing processes or financial difficulties or even insolvency, bankruptcy or closure of Nokia's business, in particular due to difficult economic conditions. Nokia may also experience challenges caused by third parties or other external difficulties in connection with Nokia's efforts to modify its operations to improve the efficiency and flexibility of Nokia's manufacturing, service creation and delivery, as well as its logistics, including, but not limited to, strikes, purchasing boycotts, public harm to Nokia's brand and claims for compensation resulting from Nokia's decisions on where to place and how to utilize its manufacturing facilities. Such difficulties may result from, among other things, delays in adjusting production at Nokia's facilities, delays in expanding production capacity, failures in Nokia's manufacturing, service creation and delivery, as well as logistics processes, failures in the activities Nokia has outsourced, and interruptions in the data communication systems that run its operations. Any of these events could delay Nokia's successful and timely delivery of products that meet Nokia's and its customers' quality, safety, security and other requirements, cause delivery of insufficient or excess volumes compared to Nokia's own estimates or customer requirements, or otherwise have a material adverse effect on its sales and results of operations or its reputation and brand value.

Many of Nokia's production sites or the production sites of its suppliers are geographically concentrated, with a majority of Nokia's suppliers based in Asia. Also Nokia relies on efficient logistic chain elements, e.g. regional distribution hubs or transport chain elements (main ports, streets, and airways), which may be affected by various events, including natural disasters, civil unrest, political instability or health-related issues (e.g., pandemic outbreaks). In the event that any of these geographic areas are affected by any adverse conditions, such as natural disasters, geopolitical disruptions or civil unrest that disrupt production and/or deliveries from Nokia's suppliers, Nokia's ability to deliver its products on a timely basis could be adversely affected, which may have a material adverse effect on its business and results of operations.

An unfavorable outcome of litigation, arbitrations, agreement-related disputes or product liability-related allegations with Nokia's business could have a material adverse effect on the Company.

Nokia is a party to lawsuits, arbitrations, agreement-related disputes and product liability-related allegations in the normal course of its business. Litigation, arbitration or agreement-related disputes can be expensive, lengthy and disruptive to normal business operations and divert the efforts of Nokia's management. Moreover, the outcomes of complex legal proceedings or agreement-related disputes are difficult to predict. An unfavorable resolution of a particular lawsuit, arbitration or agreement-related dispute could have a material adverse effect on Nokia's business, results of operations, financial condition and reputation. Nokia faces additional exposure to lawsuits, arbitrations and agreement-related disputes following the acquisition of Alcatel Lucent as a result of the increased scope of Nokia's business and operations. The acquisition of Alcatel Lucent, as well as any other transactions, could entail related adverse effects or result in organizational and other changes following the transactions, which could have a material adverse effect on Nokia's business and operations.

The investment or acquisition decisions Nokia makes, including its acquisition of Alcatel Lucent and its attempts to squeeze out the remaining shareholders, may subject Nokia to litigation arising from minority shareholders' actions and investor dissatisfaction with the activities of Nokia's business. Minority shareholder disputes, if resolved against Nokia, could have a material adverse effect on Nokia's financial condition and results of operations. For more information on the minority shareholders of Alcatel Lucent, refer to risk factor "*—Nokia's failure to promptly complete the purchases 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 for all outstanding Alcatel Lucent Securities*".

Nokia records provisions for pending claims when Nokia determines that an unfavourable outcome is likely and the loss can reasonably be estimated. Due to the inherent uncertain nature of legal proceedings, the ultimate outcome or actual cost of settlement may materially differ from estimates. Nokia believes its provisions for pending claims are appropriate. The ultimate outcome, however, may differ from the provided estimate, which could have either a positive or an adverse impact on Nokia's results of operations and financial condition.

Although Nokia's products are designed to meet all relevant safety standards and recommendations globally, Nokia cannot guarantee it will not become subject to product liability claims or be held liable for such claims or be required to comply with future regulatory changes in this area, which could have a material adverse effect on Nokia's business and financial condition. Nokia has been involved in several lawsuits alleging adverse health effects associated with its products, including those caused by electromagnetic fields, and the outcome of such procedures is difficult to predict, including potentially significant fines or settlements. Even a perceived risk of adverse health effects of mobile devices or base stations could have a material adverse effect on Nokia through a reduction in the demand for mobile devices having an adverse effect, for instance, through a decreased demand for mobile networks or increased difficulty in obtaining sites for base stations.

For a more detailed discussion on litigation to which Nokia is a party, refer to Note 28, Provisions, of the audited financial statements of Nokia for the financial year ended December 31, 2015, incorporated by reference into the Listing Prospectus.

Nokia's net sales, costs and results of operations, as well as the U.S. dollar value of Nokia's dividends and market price of the Nokia ADSs, are affected by exchange rate fluctuations.

Nokia operates globally and is therefore exposed to foreign exchange risks in the form of both transaction risks and translation risks. Nokia's policy is to monitor and hedge exchange rate exposure, and Nokia manages its operations to mitigate, but not to eliminate, the impacts of exchange rate fluctuations. There can be no assurance, however, that Nokia's hedging activities will prove successful in mitigating the potentially negative impact of exchange rate fluctuations. Additionally, significant volatility in the relevant exchange rates may increase Nokia's hedging costs, as well as limit Nokia's ability to hedge its exchange rate exposure in particular against unfavourable exchange rate movements, particularly in the exchange rates of certain emerging market currencies, which could have an adverse effect on Nokia's results of operations, particularly its profitability. Furthermore, exchange rate fluctuations may have an adverse effect on Nokia's net sales, costs and results of operations, as well as its competitive position through their impact on Nokia's competitors and customers. Additionally, exchange rate fluctuations may also materially affect the U.S. dollar value of any dividends or other distributions that are paid in euro, as well as the market price of the Nokia ADSs.

Nokia also experiences other financial market-related risks, including changes in interest rates and in prices of marketable securities that Nokia owns. Nokia may use derivative financial instruments to reduce certain of these risks. If Nokia's strategies to reduce such risks are not successful, Nokia's financial condition and operating results may be harmed.

Inefficiencies, breaches, malfunctions or disruptions of information technology systems could have a material adverse effect on Nokia's business and results of operations.

Nokia's operations rely on the efficient and uninterrupted operation of complex and centralized IT systems and networks, which are integrated with those of third parties. Additionally, certain personal and consumer data is stored by Nokia or its customers as part of Nokia's operations. All IT systems are potentially vulnerable to damage, breaches, malfunction or interruption from a variety of sources. Nokia is, to a significant extent, relying on third parties for the provision of IT systems and networks. Nokia may experience disruptions if its partners do not deliver as expected or if Nokia is unable to successfully manage systems together with its business partners. The ongoing trend to Cloud-based architectures and network function virtualization is introducing further complexity and associated risk.

Nokia is constantly seeking to improve its IT systems. For instance, Nokia has introduced new significant IT solutions during 2015 and Alcatel Lucent has outsourced prior to closing a significant portion of its finance and human resources processes and services, increasing Nokia's dependence on the reliability of external providers. Nokia will often need to use new service providers and may, due to technical developments or choices regarding technology, increase its reliance on certain new technologies, such as Cloud or remote delivery-based services and certain other services that are used over the internet rather than using a traditional licensing model. Switching to new service providers and introducing new technologies is inherently risky and may expose Nokia to an increased risk of disruptions in its operations, for instance due to network inefficiency, a cybersecurity breach, malfunctions or other disruptions resulting from IT systems. Nokia's current integration of Alcatel Lucent and the resulting homogenization of its IT landscapes and processes may also result in potential security, business continuity and efficiency risks.

Nokia pursues various measures in order to manage its risks related to system and network malfunctions and disruptions, including the use of multiple suppliers and IT security. However, despite precautions taken by Nokia, any malfunction or disruption of its current or future systems, or networks such as an outage in a telecommunications network used by any of its IT systems, or a breach of its cybersecurity, such as an attack, malware or other event that leads to an unanticipated interruption or malfunction of its IT systems or networks or data leakages, could have a material adverse effect on its business, results of operations and brand value. Additionally, if Nokia fails to successfully secure its IT, this may have a material adverse effect on its business and results of operations. A disruption of services relying on Nokia's IT, for instance, could cause significant discontent among users resulting in claims, contractual penalties or deterioration of its brand value.

Nokia's products are also highly complex and defects in their design, manufacture and associated hardware, software and content have occurred in the past and may continue to occur in the future. Defects and other quality issues may result from, among other things, failures in Nokia's own product manufacturing and service creation and delivery, as well as failures of Nokia's suppliers to comply with Nokia's supplier requirements, or failures in products and services created jointly with business partners or other third parties where the development and manufacturing process is not fully within Nokia's control. Quality issues may cause, for instance, delays in deliveries, liabilities for network outages and related negative publicity, and additional repair, product replacement or warranty costs to Nokia, and harm Nokia's reputation and its ability to sustain or obtain business with its current and potential customers. With respect to Nokia's services, quality issues may relate to the challenges of having the services fully operational at the time they are made available to its customers and maintaining them on an ongoing basis. Nokia makes provisions to cover its estimated warranty costs for its products. Nokia believes its provisions are appropriate, although the ultimate outcome may differ from the provisions that are provided for, which could have a material adverse effect on Nokia's results of operations, particularly profitability and financial condition.

Nokia may not be able to optimize the Company's capital structure as planned and re-establish its investment grade credit rating or otherwise improve its credit ratings.

Moody's, Standard & Poor's and other credit rating agencies have assigned credit ratings to Nokia. 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. In the event that Nokia's credit rating is downgraded, financial costs to Nokia could increase and thereby have a material adverse effect, for instance, on its business, financial condition and/or results of operations. Nokia also faces risks that its bonds are unfairly called.

Nokia has announced a capital structure optimization program and set a goal of re-establishing its investment grade credit rating. There can be no assurances that Nokia will be able to optimize its capital structure as planned or achieve an investment grade credit rating at the targeted time, or at all, or reduce its interest expenses.

Additionally, returning capital to shareholders reduces Nokia's capital available for operations and financing, which could expose Nokia to financial difficulties or require Nokia to incur additional indebtedness under certain circumstances, which in turn could have a material adverse effect on Nokia's financial condition.

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

Nokia cannot assure investors that it will pay dividends or deliver return on equity on the Shares issued by Nokia, nor is there any assurance as to the amount of any dividend or return of equity Nokia may pay. The payment and the amount of any dividend or return of equity is 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 its operations and its financial condition and terms of outstanding indebtedness, as well as other relevant factors such as restrictions, prohibitions or limitations imposed by applicable law.

Nokia may be unable to achieve targeted benefits from or successfully implement planned transactions or transactions may result in liabilities.

From time to time, Nokia may consider possible transactions that could complement its existing operations and enable Nokia to grow its business or divest its existing businesses or operations. Nokia has made a number of acquisitions and divestments in addition to the Sale of the Devices & Services Business, the acquisition of Alcatel Lucent, and the sale of the HERE business. Nokia has, for instance, divested certain businesses and may engage in further transactions, such as acquisitions, divestments, mergers or joint ventures in the future.

Nokia cannot provide assurance that any transaction Nokia initiates, such as acquisitions, divestments, mergers or joint ventures, will ultimately be completed on favorable terms or provide the benefits or a return on investment that Nokia has originally anticipated. After reaching an agreement for a transaction, Nokia may need to satisfy pre-closing conditions on acceptable terms, which may prevent it from completing the transaction or result in changes to the scope of the transaction. Furthermore, Nokia may not succeed in integrating acquired operations with its existing business.

Transactions, including acquisitions, divestments, mergers or joint ventures, involve inherent risks, and the assumptions may be incorrect in evaluating a transaction. Therefore, Nokia may be exposed to unknown or contingent liabilities of acquired businesses, such as those related to contractual obligations, taxes, pensions, environmental liabilities, disputes and compliance matters. Additionally, there are multiple risks that can hamper or delay Nokia’s ability to integrate acquired businesses and/or to achieve identified and anticipated operating and financial synergies, including;

- unanticipated delays or inability to proceed with transactions as planned, for instance, due to issues in obtaining regulatory or shareholder approvals (for instance, in certain cases regulatory bodies could impose conditions on the acquirer of a business to divest certain assets or impose other obligations due to competition laws or other regulations);

- unanticipated costs or changes in scope, for instance, due to issues with regulators or courts imposing terms on a transaction or obstacles that result in changes required in the scope of the transaction;

- the diversion of management attention from the existing business;

- the potential loss of key employees, customers and suppliers;

- unanticipated changes in business, industry or general economic conditions that affect the assumptions underlying the acquisition;

- potential disputes with sellers, purchasers or other counterparties;

- impairments related to goodwill and other intangible assets, for instance, due to business performance after an acquisition or differences in evaluating the goodwill with respect to the acquired businesses;

- potential limitations on Nokia’s ability to control any joint ventures, and accordingly such transactions may result in increased exposure to operational, compliance, legal or financial risks;

- unexpected costs associated with the separation of the business which is to be divested or with the integration of the business which is acquired;

- additional payment obligations and higher costs resulting from non-performance by divested businesses;

- exposure to contingent liabilities in connection with any indemnity Nokia provides to the purchaser in connection with such divestment;

- potential post-closing claims for indemnification and disputes with purchasers or sellers;

- Nokia's dependency on some of the divested businesses as its suppliers in the future; and

- high transaction costs.

Nokia sold its HERE business in a transaction that closed in late 2015. In connection with the sale of the HERE business, Nokia has committed to indemnify the buyers for the breach or violation of certain representations and warranties and covenants made by Nokia in the HERE purchase agreement, subject to certain limitations. 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. Furthermore, in connection with the sale of the HERE business, the intellectual property portfolio of HERE was transferred to the buyers, and therefore Nokia no longer benefits from use of such intellectual property.

The Sale of the Devices & Services Business may expose Nokia to contingent liabilities, and the agreements Nokia has entered into with Microsoft may have terms that prove to be unfavorable to Nokia. Under the Devices & Services Purchase Agreement, Nokia is required to indemnify Microsoft for the breach or violation of certain representations and warranties and covenants made by Nokia in the Devices & Services Purchase Agreement and for losses arising from assets not acquired by Microsoft, liabilities retained by Nokia and liabilities that are not primarily related to the Devices & Services business, subject to certain limitations. Additionally, Nokia is required to indemnify Microsoft for certain tax liabilities, including tax liabilities of the Nokia entities acquired by Microsoft, the Devices & Services business or the assets to be acquired by Microsoft attributable to tax periods ending on or prior to the closing date of the transaction or a certain pre-closing portion of any taxable period that includes the closing date of the transaction or taxes imposed with respect to any asset not being acquired by Microsoft. Significant indemnification claims by Microsoft with respect to the Devices & Services Purchase Agreement and the Sale of the Devices & Services Business could have a material adverse effect on Nokia's financial condition.

Significant transactions may result in claims between the parties, which can consume time and management attention and the outcome of disputes related to significant transactions may be difficult to predict.

Nokia is involved in joint ventures and is exposed to risks inherent to companies under joint management.

Nokia has certain joint ventures, including a significant joint venture in China, Alcatel Lucent Shanghai Bell Co., Ltd, which has certain requirements and associated risks. Nokia owns 50% plus one share of Alcatel Lucent Shanghai Bell Co., Ltd, the remainder being owned by the China Huaxin Post & Telecommunication Economy Development Center, an entity controlled by the Chinese government. The agreements related to Nokia's joint ventures may require unanimous consent or the affirmative vote of a qualified majority of the shareholders to take certain actions, thereby possibly slowing down the decision-making process. In addition, joint venture companies involve inherent risks such as those associated with a complex corporate governance structure or issues in dissolving such entities or divesting their shareholdings, assets and liabilities, and also may involve negative public perceptions caused by the joint venture partner that are adverse to Nokia.

Performance failures of Nokia's partners, as well as failures to agree to partnering arrangements with third parties could adversely affect the Company.

If any of the companies Nokia partners and collaborates with were to fail to perform as expected, or if Nokia fails to achieve the collaboration or partnering arrangements needed to succeed, Nokia may be unable to bring its products, services or technologies to market successfully or in a timely manner which could have a material adverse effect on Nokia's operations. Nokia is increasingly collaborating and partnering with third parties to develop technologies, products and services, as well as seeking new revenue streams through partnering arrangements. Nokia also depends on third-party partners in its efforts to monetize the Nokia and Bell Labs brands and technologies, for instance through arrangements where the brands are licensed to third-party products and the product development and distribution are handled partly or in full by third parties. Additionally, Nokia has outsourced various functions to third parties and is relying on them to provide certain services to the Company. These arrangements involve the commitment of certain resources, including technology, R&D, services and employees. Although the objective of the collaborative and partnering arrangements is a mutually beneficial outcome for each party, Nokia's ability to introduce and provide products and services that are commercially viable and meet Nokia's, its customers' and consumers' quality, safety, security and other standards in a timely manner could be hampered from performance or other failures.

For instance, in many areas, including finance and human resources-related arrangements, a failure to maintain an efficient relationship with the selected partner may lead to ongoing operational problems or even to severe business disruptions and Nokia cannot give assurances that the availability of the processes and services upon which it relies will not be interrupted, which could have a material adverse effect on Nokia's business operations, in particular during the integration of Alcatel Lucent. Recurring performance problems may result in missed reporting deadlines, financial losses, missed business opportunities and reputational harm. In addition, as management's focus shifts from a direct to an indirect operational control in these areas, there is a risk that without active management and monitoring of the relationship, the services provided may be below appropriate quality standards. Partners may not meet the agreed service levels, in which case, depending on the impacted service, the contractual remedies may not fully cure all of the damages Nokia may suffer. This is particularly true for any deficiencies that would impact the reporting requirements applicable to Nokia as a company listed on multiple stock exchanges.

In order to implement outsourcing arrangements, Nokia may be required to implement changes in its business practices and processes, for instance, to capture economies of scale and operational efficiencies, and to reflect a different way of doing business. Consequently, business processes that were customized for individual business groups or for Nokia generally may be converted to a more standardized format. During a transition to outsourcing, Nokia's employees may need to train the partner's staff or be trained on the partners' systems, potentially resulting in the distraction of Nokia's employees. Adjustments to staff size and transfer of employees to the partner's companies could have an adverse effect on Nokia, for instance, through impacting the morale of its employees and raising complex labor law issues and resulting in the loss of key personnel.

There is also a risk that, Nokia may not be able to determine whether controls have been effectively implemented, and whether the partner company's performance monitoring reports are accurate. Concerns could equally arise from giving third parties access to confidential data, strategic technology applications and books and records.

Additionally, partnering and outsourcing arrangements can create a dependency on the outsourcing company, causing issues in Nokia's ability to learn from day-to-day responsibilities, gain hands-on experience and adapt to changing business needs.

Nokia's efforts aimed at managing and improving financial or operational performance, cost savings, competitiveness and obtaining the targeted synergy benefits associated with the acquisition of Alcatel Lucent, may not lead to targeted results, benefits or improvements.

Nokia needs to manage its operating expenses and other internal costs to maintain cost efficiency and competitive pricing of its products and services. Failure by Nokia to determine the appropriate prioritization of operating expenses and other costs, to identify and implement the appropriate measures to adjust the Company's operating expenses on a timely basis and other costs accordingly, or to maintain achieved cost reduction levels, could have a material adverse effect on the Company's business, results of operations and financial condition. For instance, Nokia has announced targeted operating cost synergies in conjunction with the acquisition of Alcatel Lucent.

Nokia operates in highly competitive industries and is continuously targeting increased efficiency of its operations through various initiatives. Nokia may, in the ordinary course of business, institute new plans for restructuring measures. Such restructuring measures may be costly, potentially disruptive to operations, and may not lead to sustainable improvements in Nokia's overall competitiveness and profitability and, thus, may have a material adverse effect on Nokia's business or results of operations, for instance, as a result of the loss of benefits related to economies of scale.

In addition to Nokia's efforts in operating cost savings, both Nokia and Alcatel Lucent have separately prior to the acquisition implemented various efficiency and other programs aimed at improving cost savings and financial performance. Nokia may implement new similar programs going forward and there can be no assurance that such plans will be met as planned or result in sustainable improvements. Factors that may prevent a successful implementation or cause adverse effects on Nokia include the following:

- expectations with respect to market growth, customer demand and other trends in the industry in which Nokia operates;

- Nokia's ability to benefit from industry trends may prove to be inaccurate and changes in the global economy may impact Nokia's ability to implement such plans;

- in a highly competitive market, Nokia's ability to successfully develop new or improve existing products, market products to new or existing customers, enter new markets and otherwise grow its business as contemplated may fall short of targets;

- organizational changes related to the implementation plans require the alignment and adjustment of resources, systems and tools, which if not completed in a structured manner could impact Nokia's ability to achieve its goals, projected cost savings and ability to achieve the efficiencies contemplated;

- the costs to effect the initiatives contemplated by Nokia's plans may exceed its estimates and Nokia may not be able to realize the targeted cash inflows or yield other expected proceeds;

- Nokia's cost saving initiatives, including R&D, may negatively affect Nokia's ability to develop new or improve existing products and compete effectively in certain markets, and there is no guarantee that Nokia will continue to be able to successfully innovate or remain technologically competitive;

- disruptions to regular business operations caused by the plans, including to unaffected parts of Nokia; the benefits of Nokia's plans may not realize in contemplated timeframes or at all;

- intended business plans may require Nokia to inform or consult with employees and labor representatives, and such processes may influence the timing, costs and extent of expected savings and the feasibility of certain of the initiatives contemplated;

- skilled employees may leave or Nokia may not be able to recruit employees as a result of planned initiatives, and loss of their expertise may cause adverse effects on Nokia's business or limit Nokia's ability to achieve its goals; and

- overall deterioration of brand value among potential and current employees or as a preferred employer.

While Nokia is implementing and has implemented various cost savings and other initiatives in the past, and may implement such initiatives in the future, there can be no assurance that Nokia will be able to complete those successfully or that Nokia will realize the projected benefits. Additionally, the plans may be altered in the future, including adjusting any projected financial or other targets. Additionally, the anticipated costs or the level of disruption expected from implementing such plans or restructurings may be higher than expected.

If Nokia is unable to realize the projected benefits or cost savings contemplated by efforts aimed at managing and improving financial performance, operational performance, cost savings, competitiveness, targeted results or improvements, Nokia may experience negative impacts on its reputation or a material adverse effect on its business, financial condition, results of operations and cash flows. Efforts to plan and implement cost saving initiatives may divert management attention from the rest of the business and adversely affect Nokia's business.

Nokia may be adversely affected by developments with respect to the customer financing or extended payment terms that Nokia provides its customers.

Mobile operators in certain markets may require their suppliers, including Nokia, to arrange, facilitate or provide financing in order to obtain sales or business. They may also require extended payment terms. In certain cases, the amounts and duration of these financings and trade credits, and the associated impact on Nokia's working capital, may be significant. Requests for customer financing and extended payment terms are typical for Nokia's industry.

Uncertainty in the financial markets may result in increased customer financing requests. As a strategic marketing requirement, Nokia arranges and facilitates financing or provides extended payment terms to a number of its customers, typically supported by export credit or guarantee agencies or through the sale of related receivables. In the event that export credit agencies face future constraints on their ability or willingness to provide financing to Nokia's customers, or there is insufficient demand to purchase their receivables, such events could have a material adverse effect on Nokia's business and financial condition. Nokia has agreed to extended payment terms for a number of its customers, and may continue to do so in the future. Extended payment terms may continue to result in a material aggregate amount of trade credits. Even when the associated risk is mitigated by a diversified customer portfolio, defaults in the aggregate could have a material adverse effect on Nokia.

Nokia cannot guarantee that it will be successful in arranging, facilitating or providing required financing, including extended payment terms to its customers, particularly in difficult financial conditions on the market. Additionally, certain of Nokia's competitors may have greater access to credit financing, which could adversely affect Nokia's ability to compete successfully for business opportunities in the markets in which Nokia operates. Nokia's ability to manage its total customer financing and trade credit exposure depends on a number of factors, including capital structure, market conditions affecting its customers, the levels and terms of credit available to it and to its customers, the cooperation of export credit or guarantee agencies and its ability to mitigate exposure on acceptable terms. Nokia may be unsuccessful in managing the challenges associated with the customer financing and trade credit exposure that Nokia may face from time to time. While defaults under financings, guarantees and trade credits to its customers resulting in impairment charges and credit losses have not been significant for Nokia in the past, these may increase in the future, and commercial banks may not continue to be able or willing to provide sufficient long-term financing, even if backed by export credit agency guarantees, due to their own liquidity constraints.

Nokia has used sale of receivables to banks or other financial institutions to improve its liquidity, and any significant change in its ability to continue this practice could impair its liquidity.

Nokia may not be able to collect outstanding guarantees and bonds that could limit its possibilities to issue new guarantees and/or bonds, which are required in customer agreements or practices.

The carrying amount of Nokia's goodwill may not be recoverable.

Nokia assesses the carrying amount of goodwill annually or more frequently if events or changes in circumstances indicate that such carrying amount may not be recoverable. Additionally, Nokia assesses the carrying amount of other identifiable assets if events or changes in circumstances indicate that their carrying amounts may not be recoverable. If revenue from Nokia's business does not develop as anticipated or new sources of revenue do not materialize as expected, or at all, Nokia's business may not generate sufficient positive operating cash flow. This or other factors may lead to a decrease in the value of Nokia's assets, leading to further impairment charges that may adversely affect Nokia, including the goodwill for the Company's business. While Nokia believes the estimated recoverable values are reasonable, actual performance in the short and long term could materially differ from Nokia's forecasts, which could impact future estimates of the recoverable value for Nokia's business and may result in further impairment charges.

Nokia is exposed to certain pension and employee fund-related risks. Alcatel Lucent Group's U.S. pension and post-retirement benefit plans are large and have funding requirements that fluctuate based on how their assets are invested, the performance of financial markets worldwide, interest rates, assumptions regarding the life expectancy of covered employees and retirees, medical cost increases, and changes in legal requirements. Even if these plans are currently fully funded, they are costly, and the Company's efforts to satisfy further funding requirements or control these costs may be ineffective.

Many former and current employees and retirees of the Alcatel Lucent Group in the United States participate in one or more of its major defined benefit pension and post-retirement welfare benefit plans that provide pension, healthcare, and group life insurance benefits. Such defined benefit pension and post-retirement welfare benefit plans have funding requirements based on a variety of criteria, including asset allocation, performance of financial markets, interest rates, assumptions regarding life expectancy, medical costs and changes in legal requirements. To the extent that any of the aforementioned criteria or other criteria change, the funding requirements of Alcatel Lucent's major defined benefit pension and post-retirement plans may increase.

Alcatel Lucent may be unsuccessful in its ability to control costs resulting from the increased funding requirements, and such inability to control costs could have a material adverse effect on Alcatel Lucent's results of operations or financial position.

Volatility in discount rates and asset values will affect the funded status of Nokia's pension plans.

The U.S. Internal Revenue Code provides a number of methods to use for measuring plan assets and for determining the discount rate to be applied for measuring defined benefit pension plan liabilities for regulatory funding purposes. For measuring plan assets, Alcatel Lucent can choose between the fair market value at the valuation date or a smoothed fair value of assets (based on a prior period of time not to exceed two years, with the valuation date as the last date in the prior period). For determining the discount rate, Alcatel Lucent can opt for the spot discount rate at the valuation date (effectively, the average yield curve of the daily rates for the month preceding the valuation date) or a 24-month average of the rates for each time segment (any 24-month period as long as the 24-month period ends no later than five months before the valuation date). To measure the 2014 funding valuation, Alcatel Lucent selected the two-year asset fair value smoothing method for the U.S. management pension plan and its U.S. occupational pension plans (active and inactive). Alcatel Lucent is generally required to use this same asset valuation method to measure the 2015 funding valuation. With respect to the discount rate to be applied for measuring plan liabilities, the Moving Ahead for Progress in the 21st Century Act, enacted on July 6, 2012 and thereafter modified and extended by The Highway and Transportation Funding Act, enacted on August 8, 2014, and the Bipartisan Budget Act of 2015, enacted on November 2, 2015 (collectively, "MAP-21/HATFA/BBA"), affects U.S. tax-qualified pension plan funding requirements for plans that use time segment interest rates for measuring plan liabilities for regulatory funding purposes. For such plans, MAP-21/HATFA/BBA stabilizes such interest rates by establishing "corridors" around a 25-year average rate. MAP-21/HATFA/BBA is applicable to the Alcatel Lucent Group's U.S. management and active occupational pension plans, which use time segment interest rates for purposes of determining regulatory funding requirements, but not to the U.S. inactive occupational pension plan which uses a full yield curve for such purposes.

For the U.S. management and active occupational pension plans, MAP-21/HATFA/BBA increases the interest rates used for regulatory funding purposes. A preliminary assessment of those plans under MAP-21/HATFA/BBA suggests no required funding contribution through at least 2017. Although MAP-21/HATFA/BBA is currently not applicable to the Alcatel Lucent Group's U.S. inactive occupational pension plan, the Group does not foresee any required funding contribution for that plan, given the level of assets compared to liabilities for regulatory funding purposes.

Pension and post-retirement health plan participants may live longer than has been assumed, which would result in an increase in Nokia's benefit obligation.

If Alcatel Lucent's pension and retiree healthcare plan participants live longer than assumed, pension and retiree healthcare benefits obligations would likely increase. Alcatel Lucent cannot be certain that the longevity of the participants in its pension plans or retiree healthcare plan will not exceed that indicated by the mortality tables it currently uses or that future updates to those tables will not reflect materially longer life expectancies.

For pension funding purposes, Alcatel Lucent uses the mortality table issued by the Internal Revenue Service (IRS), which includes fifteen years of projected improvements in life span for active and former employees not yet receiving pension payments, and seven years for retirees receiving payments. For accounting purposes, until September 30, 2014, Alcatel Lucent used the RP-2000 Combined Health Mortality table with Generational Projection based on the U.S. Society of Actuaries ("SOA") Scale AA. Starting December 31, 2014, Alcatel Lucent changed these assumptions to the RP-2014 White Collar table with MP-2014 mortality improvement scale for management records and the RP-2014 Blue Collar table with MP-2014 mortality improvement scale for occupational records. These tables determine the period of time over which Alcatel Lucent assumes that benefit payments will be made. The longer the period, the larger the benefit obligation and the amount of assets required to cover that obligation. On October 8, 2015, the SOA released an updated set of mortality improvement assumptions: scale MP-2015. This new mortality improvement scale reflects two additional years of data that the U.S. Social Security Administration has released since the development of the MP-2014 mortality improvement. These two additional years of data show a lower degree of mortality improvement than in previous years.

For pension accounting purposes, starting December 31, 2015, Alcatel Lucent changed the MP-2014 mortality improvement scale by the MP-2015 mortality improvement scale for both management and occupational records.

To estimate Alcatel Lucent's future U.S. retiree healthcare plan obligations, until September 30, 2014, Alcatel Lucent used the same RP-2000 Combined Health Mortality table with Generational Projection based on the SOA Scale AA that it used for pension funding purposes. Starting December 31, 2014, Alcatel Lucent similarly changed these assumptions to the RP-2014 White Collar table with MP-2014 mortality improvement scale for management records and the RP-2014 Blue Collar table with MP-2014 mortality improvement scale for occupational records. For U.S. retiree healthcare plan obligations, starting December 31, 2015, Alcatel Lucent changed the MP-2014 mortality improvement scale by the MP-2015 mortality improvement scale for both management and occupational records. As with pension benefits, longer lives of the participants would likely increase Nokia's retiree healthcare benefit obligation. Alcatel Lucent cannot be certain that the longevity of its participants in its retiree healthcare plans or pension plans will not exceed that indicated by the mortality tables it currently uses, or that future updates to these tables will not reflect materially longer life expectancies.

The new mortality rates (RP-2014 White Collar and Blue Collar) were published on October 27, 2014 and new mortality improvement scale (MP-2015) was published by the SOA on October 8, 2015. The new assumptions are not expected to become effective for regulatory (pension) funding purposes before at least the 2017 plan year.

Alcatel Lucent may not be able to fund the healthcare and group life insurance costs of its formerly represented retirees with excess pension assets.

In accordance with Section 420 of the U.S. Internal Revenue Code, Alcatel Lucent currently funds, and expects to continue to fund, its healthcare and group life insurance costs for retirees who were represented by the Communications Workers of America and the International Brotherhood of Electrical Workers with transfers of excess pension assets from its U.S. inactive occupational pension plan. Excess assets are defined by Section 420 as those assets in excess of either 120% or 125% of the plan's funding obligation (without the application of MAP-21/HATFA/BBA), depending on the type of transfer selected. Based on current actuarial assumptions and based on the present level and structure of benefits and of its benefit plans, Alcatel Lucent believes that it can continue to fund healthcare and group life insurance for retirees who were represented by the Communications Workers of America and the International Brotherhood of Electrical Workers through Section 420 transfers from its U.S. inactive occupational pension plan. However, deterioration in the funded status of that plan could negatively affect Alcatel Lucent's ability to make future Section 420 transfers. Section 420 is currently set to expire on December 31, 2025.

Healthcare cost increases and an increase in the use of services may significantly increase Alcatel Lucent's retiree healthcare costs.

Alcatel Lucent's current healthcare plans cap the subsidy that Alcatel Lucent provides to those persons who retired after February 1990 and all future retirees, representing almost half of the retiree healthcare obligation, on a per capita basis. Alcatel Lucent may take steps in the future to reduce the overall cost of its current retiree healthcare plans, and the share of the cost borne by the company, consistent with legal requirements and any collective bargaining obligations. However, cost increases may exceed the company's ability to reduce these costs. Additionally, the reduction or elimination of U.S. retiree healthcare benefits by Alcatel Lucent has, in the past, led to lawsuits against Alcatel Lucent. Any initiatives that Alcatel Lucent might undertake to control these costs may lead to additional claims against Alcatel Lucent.

Alcatel Lucent's business includes the installation and maintenance of undersea telecommunications cable networks, and in the course of this activity it may cause damage to existing undersea infrastructure, for which it may ultimately be held responsible.

Alcatel Lucent's business includes, through a subsidiary, an industry leader in the supply of submarine optical fiber cable networks linking mainland to islands, island to island or several points along a coast, with activities also expanding to the supply of broadband infrastructure to oil and gas platforms and other offshore installations. Although thorough surveys, permit processes and safety procedures are implemented during the planning and deployment phases of all of these activities, there is a risk that previously-laid infrastructure, such as electric cables or oil pipelines, may go undetected despite such precautions, and be damaged during the process of installing the telecommunications cable, potentially causing business interruption to third parties operating in the same area and/or accidental pollution. While Alcatel Lucent has contractual limitations in place and it maintains insurance coverage to limit its exposure, Alcatel Lucent cannot provide any assurance that these protections will be sufficient to cover such exposure entirely.

Supplements relating to the section "*Operating and Financial Review and Prospects—Nokia—Recent Developments*"

The section "*Operating and Financial Review and Prospects—Nokia—Recent Developments*" on pages 252–253 of the Listing Prospectus is supplemented with the following information:

On February 19, 2016, Nokia announced the issuance of 6 501 503 new Nokia Shares in a directed share issue in exchange for Alcatel Lucent Shares in a private transaction at the same exchange ratio as offered in the Exchange Offer, i.e. 0.5500 Nokia Shares for each Alcatel Lucent Share, in order to increase Nokia's ownership in Alcatel Lucent. Nokia registered the Shares with the Finnish Trade Register on March 11, 2016. The new Nokia Shares carry the right to dividends and all other shareholder rights as of the registration date. The trading in the Shares commenced on Nasdaq Helsinki and Euronext Paris on March 14, 2016.

On February 22, 2016, Nokia announced a restatement of information disclosed in the releases dated February 10 and 12 on Nokia's ownership in Alcatel Lucent, stating that Nokia owned 90.34% of the share capital and 90.25% of the voting rights of Alcatel Lucent, corresponding to 87.33% of Alcatel Lucent Shares on a fully diluted basis, instead of the previously announced ownership of 91.25% of the share capital and 91.17% of the voting rights. Following the conversion of all the OCEANEs tendered into the initial and reopened offer period in the Exchange Offer at the applicable improved conversion ratios, on February 12, 2016, Nokia owned 91.53% of the share capital and 91.45% of the voting rights of Alcatel Lucent (instead of 92.34% of the share capital and 92.26% of the voting rights, as reported on February 12, 2016). After the directed share issue disclosed on February 19, 2016 Nokia held approximately 91.84% of the share capital and 91.77% of the voting rights of Alcatel-Lucent. This corresponds to approximately 87.91% of Alcatel-Lucent Shares on a fully diluted basis.

On March 17, 2016, Nokia announced the issuance of a maximum of 72 842 811 new Nokia Shares in a directed share issue to the JPMorgan Chase Bank, N.A., as depositary (the "Depositary") in the Alcatel Lucent American depositary receipts ("ADR") program, in exchange for Alcatel Lucent Shares. The Nokia Shares will be issued to the Depositary as consideration for the Alcatel Lucent Shares that Nokia is expected to purchase from the Depositary pursuant to the Share Purchase Agreement, dated March 16, 2016, between Nokia and the Depositary in order to increase Nokia's ownership in Alcatel Lucent. Pursuant to the Share Purchase Agreement, Nokia would acquire all Alcatel Lucent Shares underlying the remaining outstanding ADRs after termination of the ADR program, which is expected to occur on April 25, 2016. The Alcatel Lucent Shares will be purchased at the same exchange ratio as that offered in the Exchange Offer, i.e. 0.5500 Nokia Shares for each Alcatel Lucent Share. The completion of the purchase and sale of the Alcatel Lucent Shares is subject to satisfaction or waiver of certain conditions precedent, including the expiration of the currently pending cancellation period with respect to the Alcatel Lucent ADR program, accuracy of representations and warranties, compliance with covenants and absence of legal restrictions with respect to the transaction. The settlement of the purchase of the Alcatel Lucent Shares from the Depositary is expected to take place during the first half of May 2016, and the final number of Nokia Shares issued will be announced in connection with the settlement.

Supplements relating to the section "*Selected Financial Information—Nokia*"

The section "*Selected Financial Information—Nokia*" on pages 190–196 of the Listing Prospectus is replaced with the information presented herein.

Readers should note that the amended paragraphs or information, as applicable, have been marked with an asterisk (*).

Nokia

*The following tables set forth selected consolidated financial information for Nokia. This information is qualified by reference to, and should be read in conjunction with, Nokia's consolidated financial statements and the notes thereto for the years ended December 31, 2015, 2014 and 2013, all of which are incorporated by reference into this Listing Prospectus. The selected consolidated historical income statement and statement of cash flow data for the years ended December 31, 2015, 2014 and 2013 and the consolidated statement of financial position data as of December 31, 2015, 2014 and 2013 have been derived from Nokia's audited consolidated financial statements for the respective years, prepared in accordance with the International Financial Reporting Standards ("IFRS").**

*In September 2013, Nokia announced the sale of substantially all of its Devices & Services Business to Microsoft. Subsequent to the approval for the sale received in the Extraordinary General Meeting in November 2013, Nokia Group has presented Devices & Services Business as discontinued operations. The sale was completed on April 25, 2014. In the consolidated income statement for the year 2013, the financial results of the Devices & Services Business were reported as discontinued operations separately from the continuing operations. **

*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 sale of HERE was completed on December 4, 2015. In the consolidated income statement for the year ended December 31, 2015, HERE has been reported as discontinued operations separately from the continuing operations. The income statement information for the years 2014 and 2013 have been restated accordingly. Thus, the restated consolidated income statement information for the years 2014 and 2013 presented in the following table is unaudited.**

Selected Historical Consolidated Financial Information for Nokia

	Year ended December 31,		
	2015 (audited)*	**2014 (unaudited)**	**2013 (unaudited)***
CONSOLIDATED INCOME STATEMENT	*(in EUR million, except for shares outstanding and earnings per share)*		
Net sales	**12 499**	**11 762***	**11 795***
Cost of sales	(7 046)*	(6 855)	(7 157)*
Gross profit	**5 453**	**4 907**	**4 638***
Research and development expenses	(2 126)	(1 948)	(1 970)*
Selling, general and administrative expenses	(1 652)	(1 453)	(1 483)*
Other income*	236*	135*	272*
Other expenses*	(223)*	(229)*	(785)*
Operating profit	**1 688**	**1 412**	**672***
Share of results of associated companies and joint ventures	29	(12)	4

Financial income and expenses	(177)	(401)	(277)*
Profit before tax	**1 540**	**999**	**399***
Income tax (expense)/benefit	(346)	1 719*	(271)*
Profit for the year from Continuing operations	**1 194**	**2 718**	**128***
Attributable to:			
Equity holders of the parent	1 192	2 710	273*
Non-controlling interests	2	8	(145)
Profit for the year from Continuing operations	**1 194**	**2 718**	**128***
Profit/(loss) for the year from Discontinued operations attributable to:			
Equity holders of the parent	1 274	752	(888)*
Non-controlling interests	-	6	21
Profit/(loss) for the year from Discontinued operations*	**1 274***	**758***	**(867)***
Profit/(loss) for the year attributable to:			
Equity holders of the parent	2 466	3 462	(615)
Non-controlling interests	2	14	(124)
Profit/(loss) for the year*	**2 468***	**3 476***	**(739)***
Earnings per share attributable to equity holders of the parent	EUR	EUR	EUR
Basic earnings per share			
Continuing operations	0.32	0.73	0.07*
Discontinued operations	0.35	0.20	(0.24)*
Profit/(loss) for the year	0.67	0.94	(0.17)
Diluted earnings per share			
Continuing operations	0.31	0.67	0.07*
Discontinued operations	0.32	0.18	(0.24)*
Profit/(loss) for the year	0.63	0.85	(0.17)
Average number of shares	000s shares	000s shares	000s shares
Basic			
Continuing operations	3 670 934	3 698 723	3 712 079
Discontinued operations	3 670 934	3 698 723	3 712 079
Profit/(loss) for the year	3 670 934	3 698 723	3 712 079
Diluted			
Continuing operations	3 949 312	4 131 602	3 733 364
Discontinued operations	3 949 312	4 131 602	3 712 079
Profit/(loss) for the year	3 949 312	4 131 602	3 712 079

		Year ended December 31,	
	2015 (audited)*	**2014 (unaudited)**	**2013 (unaudited)***
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME		*(in EUR million)*	
Profit/(loss) for the year	**2 468**	**3 476**	**(739)**
Other comprehensive income			

Items that will not be reclassified to profit or loss:			
Remeasurements on defined benefit plans	112	(275)	83
Income tax related to items that will not be reclassified to profit or loss	(28)	96	(3)
Items that may be reclassified subsequently to profit or loss:			
Translation differences	(1 054)	820	(496)
Net investment hedges	322*	(167)	114
Cash flow hedges	(5)	(30)	3
Available-for-sale investments	113*	106	49
Other increase, net	2*	40	5
Income tax related to items that may be reclassified subsequently to profit or loss	(88)	16	1
Other comprehensive (expense)/income, net of tax	**(626)***	**606**	**(244)**
Total comprehensive income/(expense) for the year	**1 842***	**4 082**	**(983)**
Attributable to:			
Equity holders of the parent	1 837*	4 061	(863)
Non-controlling interests	5	21	(120)
Total comprehensive income/(expense) for the year	**1 842***	**4 082**	**(983)**
Attributable to equity holders of the parent:			
Continuing operations	1 513*	2 350	55*
Discontinued operations	324	1 711	(918)*
Total attributable to equity holders of the parent	**1 837***	**4 061**	**(863)**
Attributable to non-controlling interest:			
Continuing operations	5	16	(139)
Discontinued operations	-	5	19
Total attributable to non-controlling interests	**5**	**21**	**(120)**

		As of December 31,	
	2015 (audited)*	**2014 (audited)**	**2013 (audited)**
CONSOLIDATED STATEMENT OF FINANCIAL POSITION		*(in EUR million)*	
ASSETS			
Non-current assets			
Goodwill	237	2 563	3 295
Other intangible assets	323	350	296
Property, plant and equipment	695	716	566
Investments in associated companies and joint ventures	84	51	65

Available-for-sale investments	1 004*	828	741
Deferred tax assets	2 634	2 720	890
Long-term loans receivable	49	34	96
Prepaid pension costs[1]	25	30*	38
Other non-current assets[1]	51	47	61
	5 102*	**7 339**	**6 048**
Current assets			
Inventories	1 014	1 275	804
Accounts receivable, net of allowances for doubtful accounts	3 913	3 430*	2 901
Prepaid expenses and accrued income	749	913	660
Current income tax assets	171	124	146
Current portion of long-term loans receivable	21	1	29
Other financial assets	107	266	285
Investments at fair value through profit and loss, liquid assets	687	418	382
Available-for-sale investments, liquid assets	2 167	2 127	956
Cash and cash equivalents[2]	6 995	5 170	7 633
	15 824	13 724	13 796
Assets held for sale	-	-	89
Assets of disposal groups classified as held for sale	-	-	5 258
Total assets	**20 926***	**21 063**	**25 191**
SHAREHOLDERS' EQUITY AND LIABILITIES			
Capital and reserves attributable to equity holders of the parent			
Share capital	246	246	246
Share issue premium	380	439	615
Treasury shares at cost	(718)	(988)	(603)
Translation differences	292	1 099	434
Fair value and other reserves	204*	22	80
Reserve for invested non-restricted equity	3 820	3 083	3 115
Retained earnings	6 279	4 710	2 581
	10 503*	8 611	6 468
Non-controlling interests	21	58	192
Total equity	**10 524***	**8 669**	**6 660**
Non-current liabilities			
Long-term interest-bearing liabilities	2 023	2 576	3 286
Deferred tax liabilities	61*	32	195
Defined benefit pension liabilities[3]	423*	530*	237*
Deferred revenue and other long-term liabilities[3]	1 254*	1 667*	393*
Provisions	250	301	242
	4 011	5 106*	4 353
Current liabilities			

Current portion of long-term interest-bearing liabilities	1	1	3 192
Short-term borrowings	50	115	184
Other financial liabilities	114*	174	35
Current income tax liabilities	446	481	484
Accounts payable	1 910	2 313	1 842
Accrued expenses, deferred revenue and other liabilities	3 395	3 632	3 033
Provisions	475*	572	680
	6 391	7 288	9 450
Liabilities of disposal groups classified as held for sale	-	-	4 728
Total liabilities*	**10 402***	**12 394***	**18 531***
Total shareholders' equity and liabilities	**20 926***	**21 063**	**25 191**

[1] Prepaid pension costs previously reported under "Other non-current assets" have been reported separately for the year ended December 31, 2015. The information for prior periods presented has been adjusted accordingly.*

[2] For the year ended December 31, 2015, "Bank and cash" and "Available for sale investments, cash equivalents" have been reported as a single line item "Cash and cash equivalents". The information for prior periods presented has been adjusted accordingly.*

[3] Defined benefit pension liabilities previously reported under "Deferred revenue and other long-term liabilities" have been reported separately for the year ended December 31, 2015. The information for prior periods presented has been adjusted accordingly.*

	Year ended December 31,		
	2015 (audited)*	**2014 (audited)**	**2013 (audited)**
CONSOLIDATED STATEMENT OF CASH FLOWS		*(in EUR million)*	
Net cash from operating activities	507	1 275	72
Net cash from/(used in) investing activities	1 896	886	(691)
Net cash used in financing activities	(584)	(4 576)	(477)
Foreign exchange adjustment	6	(48)	(223)
Net increase/(decrease) in cash and cash equivalents	1 825	(2 463)	(1 319)
Cash and cash equivalents at beginning of year	5 170	7 633	8 952
Cash and cash equivalents at end of year	6 995	5 170	7 633

The consolidated statement of cash flows combines cash flows from both the continuing and the discontinued operations.

The amounts in the consolidated statement of cash flows cannot be directly traced from the statement of financial position without additional information on the acquisitions and disposals of subsidiaries and the net foreign exchange differences arising on consolidation.*

Key Ratios

	Year ended December 31,		
	2015 (unaudited)	**2014 (unaudited)**	**2013 (unaudited)**
Key ratios at the reporting date, continuing operations			
Earnings per share for profit attributable to equity holders of parent			
Earnings per share, basic, EUR	0.32[1]	0.73	0.07*
Earnings per share, diluted, EUR	0.31[1]	0.67	0.07*
P/E ratio, basic	20.6	8.99	83.14*
Ordinary dividend per share, EUR	0.16[4]	0.14	0.11
Special dividend per share, EUR	0.10[4]	0	0.26
Total dividends paid, EURm	1 560*	511	1 374
Payout ratio, basic[2]	0.50	0.19	2.20
Dividend yield, %[3]	2.43	2.13	1.89
Shareholders' equity per share, EURm	2.65	2.36	1.74
Market capitalization, EURm	25 999*	23 932	21 606

[1] Earnings per share (basic and diluted) for the year ended December 31, 2015 are audited.*
[2] Payout ratio, basic is calculated based on the Ordinary dividend per share, EUR. The payout ratio including the Special dividend per share is 0.81 for the year ended December 31, 2015, 0.19 for the year ended December 31, 2014 and 5.29 for the year ended December 31, 2013.*
[3] Dividend yield, % is calculated based on the Ordinary dividend per share, EUR. The dividend yield, % including the Special dividend per share is 3.94 for the year ended December 31, 2015, 2.13 for the year ended December 31, 2014 and 6.36 for the year ended December 31, 2013.
[4] The ordinary and special dividend for 2015 will be proposed by the Nokia Board of Directors.

Earnings per share, basic, EUR

$$\frac{\text{Profit attributable to equity holders of the parent}}{\text{Average adjusted number of shares during the year}}$$

P/E ratio, basic

$$\frac{\text{Closing share price at the reporting date}}{\text{Earnings per share (basic) for Continuing operations}}$$

Payout ratio

$$\frac{\text{Dividend per share}}{\text{Earnings per share (basic) for Continuing operations}}$$

Dividend yield

$$\frac{\text{Dividend per share}}{\text{Closing share price at December 31}}$$

Shareholders' equity per share

$$\frac{\text{Capital and reserves attributable to equity holders of the parent}}{\text{Number of shares at the reporting date—number of treasury shares at the reporting date}}$$

Market capitalization

(Number of shares at the reporting date—number of treasury shares at the reporting date) x closing share price at the reporting date

Significant Change in Financial Condition or Operating Results

In November 2011, Nokia Networks announced its strategy to focus on mobile broadband and services. It also announced an extensive global restructuring program that ultimately resulted in the reduction of its annualized operating expenses and production overhead by over EUR 1.5 billion when the program was completed at the end of 2013. As part of its strategy of focusing on mobile broadband, Nokia Networks also divested a number of non-core businesses.

Beginning in 2013, Nokia undertook a series of transactions to transform its business portfolio. On July 1, 2013, Nokia announced the agreement to acquire Siemens' 50% stake in the companies' joint venture Nokia Siemens Networks. The purchase price was EUR 1.7 billion and the transaction closed on August 7, 2013. On September 3, 2013, Nokia announced that it had signed an agreement to sell its Devices & Services Business to Microsoft for a total purchase price of EUR 5.44 billion, of which EUR 3.79 billion related to the Sale of the Devices & Services Business and EUR 1.65 billion related to a mutual patent license agreement. In conjunction with the transaction, Nokia established the Nokia Technologies business to focus on technology development and intellectual property rights activities. The transaction significantly strengthened the Company's financial position and subsequent to the transaction, in 2014, Nokia started the optimization of its capital structure and recommenced dividend payments, distributed excess capital to shareholders and reduced its interest-bearing debt.

On April 15, 2015, Nokia continued its transformation with the announcement that it had signed an agreement to acquire Alcatel Lucent through the Exchange Offer on the basis of 0.5500 Nokia Shares for each Alcatel Lucent Share. In conjunction with this announcement, Nokia announced that it has suspended its capital structure optimization program effective immediately. On August 3, 2015, Nokia announced an agreement to sell HERE to an automotive industry consortium and estimates that it will receive net proceeds of slightly above EUR 2.5 billion. The sale of HERE was completed on December 4, 2015. On October 29, 2015, Nokia announced a planned EUR 7 billion program to optimize Nokia's capital structure and return excess capital to shareholders, subject to the closing of the Alcatel Lucent and HERE transactions, as well as the conversion of all Nokia and Alcatel Lucent convertible bonds.

Nokia obtained control of Alcatel Lucent on January 4, 2016 when the interim results of the successful initial Exchange Offer were announced by the AMF with a shareholding of 76.31% of the share capital and at least 76.01% of the voting rights. On January 14, 2016, the combined operations of Nokia and Alcatel Lucent commenced. On the same day, Nokia reopened the Exchange Offer. The results of the reopened offer period in the Exchange Offer were published on February 10, 2016 and the settlement of the reopened offer period in the Exchange Offer and the registration of new shares was announced on February 12, 2016. As a result, Nokia announced to hold 91.25% of the share capital and at least 91.17% of the voting rights of Alcatel Lucent.*

Sufficiency of Working Capital

In the opinion of Nokia's management, the working capital available to Nokia is sufficient to cover its present needs for the next 12 months following the date of this Listing Prospectus.

In order to evaluate Nokia's working capital needs after the Acquisition, Nokia has prepared financial projections assuming the combination of Nokia and Alcatel Lucent and excluding the HERE business. Based on these financial projections, Nokia anticipates that the combination of Nokia and Alcatel Lucent will not adversely impact the sufficiency of working capital for the Combined Company.

The Availability of the Supplement

The supplement is available as of April 5, 2016 on the Company's website at http://company.nokia.com/en/investors/financial-reports/filings-related-to-the-alcatel-lucent-transaction, and as of April 6, 2016 at the office of Nokia at Karaportti 3, FI-02610 Espoo, Finland, and the reception of Nasdaq Helsinki at Fabianinkatu 14, FI-00100 Helsinki, Finland.