

This offer and the draft offer document remain subject to approval by the Autorité des marchés financiers

PRESS RELEASE ON THE FILING OF A DRAFT PUBLIC EXCHANGE OFFER

RELATING TO THE SHARES AND BONDS CONVERTIBLE INTO NEW SHARES OR EXCHANGEABLE FOR
EXISTING SHARES (OCEANES) OF THE COMPANY



INITIATED BY
NOKIA CORPORATION



PRESENTED BY



TERMS OF THE OFFER:

0.5500 NOKIA SHARE TO BE ISSUED FOR 1 ALCATEL LUCENT SHARE
0.6930 NOKIA SHARE TO BE ISSUED FOR 1 ALCATEL LUCENT 2018 OCEANE*
0.7040 NOKIA SHARE TO BE ISSUED FOR 1 ALCATEL LUCENT 2019 OCEANE*
0.7040 NOKIA SHARE TO BE ISSUED FOR 1 ALCATEL LUCENT 2020 OCEANE*

* the exchange ratio per OCEANE may be adjusted if the opening date of the Offer occurs after November 18, 2015

DURATION OF THE OFFER:

The timetable for the Offer will be set by the French stock market authority (*Autorité des marchés financiers*) (the "AMF") in accordance with the provisions of its general regulation.



This press release, relating to the filing on October 29, 2015, by Nokia Corporation with the AMF of a proposed public exchange offer relating to the Shares and OCEANES of Alcatel Lucent, has been drawn up and disseminated in accordance with the provisions of article 231-16 of the AMF general regulation.

THIS OFFER AND THE DRAFT OFFER DOCUMENT REMAIN SUBJECT TO APPROVAL BY THE AMF

The draft offer document is available on the website of Nokia (www.nokia.com) and of the AMF (www.amf-france.org) and may be obtained free of charge from:

Nokia
Karaportti 3
FI-02610 Espoo
Finland

Société Générale
Corporate Finance
75886 Paris Cedex 18
France

1. PRESENTATION OF THE OFFER

Pursuant to Section III of Book II and more specifically Articles 232-1 et seq. of the AMF General Regulation, Nokia Corporation, a company organized and existing under the laws of Finland, registered in the Finnish Trade Register, under No. 0112038-9, with registered office at Karaportti 3, FI-02610 Espoo, Finland ("**Nokia**" or the "**Offeror**"), irrevocably offers to the shareholders and holders of OCEANEs of Alcatel Lucent, public limited company (société anonyme) with share capital of EUR 142 019 118.80 divided in 2 840 382 376 shares with a nominal value of EUR 0.05 each, having its registered office at 148/152 route de la Reine, 92100 Boulogne-Billancourt, France, registered in the Nanterre Trade and Companies Register under No. 542 019 096 ("Alcatel Lucent" or the "**Company**"), to exchange pursuant to the following conditions (the "**Offer**"):

- all the shares of the Company listed on Euronext Paris (Compartment A) under code ISIN FR0000130007, mnemonic "ALU" (the "Shares") at an exchange ratio of 0.5500 Nokia share for 1 Alcatel Lucent Share;
- all the 2018 OCEANEs (as defined in Section 2.5 of the Draft Offer Document) of the Company listed on Euronext Paris under code ISIN FR0011527225, mnemonic "YALU", at an exchange ratio of 0.6930 Nokia share for 1 Alcatel Lucent 2018 OCEANE;
- all the 2019 OCEANEs (as defined in Section 2.5 of the Draft Offer Document) of the Company listed on Euronext Paris under code FR0011948306, mnemonic "YALU1", at an exchange ratio of 0.7040 Nokia share for 1 Alcatel Lucent 2019 OCEANE;
- all the 2020 OCEANEs (as defined in Section 2.5 of the Draft Offer Document) of the Company listed on Euronext Paris under code FR0011948314, mnemonic "YALU2", at an exchange ratio of 0.7040 Nokia share for 1 Alcatel Lucent 2020 OCEANE;

the 2018 OCEANEs, 2019 OCEANEs and 2020 OCEANEs shall, henceforth, be referred to as the "OCEANEs" and, together with the Shares, as the "Securities".

The Offer concerns:

- all the Shares of the Company:
 - o which are already issued (including Company treasury shares and shares held by its subsidiaries), namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 2 840 382 376 Shares;
 - o which may be issued before the closing of the Offer or the Reopened Offer (as defined in Section 2.19 of the Draft Offer Document), following (i) the conversion of OCEANEs (namely, to the knowledge of the Offeror at the date of the Draft Offer Document, a maximum number of 801 221 218 Shares), or (ii) the exercise of Alcatel Lucent stock options (namely, to the knowledge of the Offeror at the date of the Draft Offer Document, a maximum number of 84 050 881 Shares) (the "**Stock Options**");

namely, a maximum number of 3 725 654 475 Shares targeted by the Offer, to the knowledge of the Offeror at the date of the Draft Offer Document;

- all of the Company's 2018 OCEANEs, namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 349 413 670 2018 OCEANEs;
- all of the Company's 2019 OCEANEs, namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 167 500 000 2019 OCEANEs; and
- all of the Company's 2020 OCEANEs, namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 114 499 995 2020 OCEANEs.

The performance shares of Alcatel Lucent (the "**Performance Shares**") which are still in a vesting period at the date of the closing of the Offer or the Reopened Offer are not targeted by the Offer, unless they have vested and are made available pursuant to the applicable legal and statutory provisions (disability or death of the beneficiary). However, the Performance Shares vested and held by beneficiaries who are French tax residents but subject to a holding period may be tendered into the Offer in the conditions set forth in the Section 2.7 of the Draft Offer Document; the remaining holding period being transferred to the Nokia shares received in exchange, in accordance with Article 225-197-1(III) of the French Commercial Code.

At the date of the Draft Offer Document, Nokia does not hold, directly or indirectly, acting alone or in concert, any Alcatel Lucent Securities. Furthermore, at the date of the Draft Offer Document, Nokia has not concluded any agreement which allows it to acquire, by its own initiative, Alcatel Lucent Securities.

The Offer is subject to the following conditions precedent, described in detail in Section 2.12 of the Draft Offer Document:

- tender into the Offer and the U.S. Offer (as defined below) of Shares representing more than 50% of the Company Shares on a fully diluted basis on the date of the publication by the AMF of the results of the Offer taking into account the results of the U.S. Offer; and
- approval by the extraordinary general meeting of Nokia's shareholders, convened on October 22, 2015 and scheduled to take place on December 2, 2015, of the resolution related to the authorization of the board of directors of Nokia to resolve on the issuance of the Nokia shares as consideration for the Securities tendered into the Offer or, as the case may be, into the Reopened Offer.

The Offer is presented by Société Générale which, in accordance with the provisions of Article 231-12 of the AMF General Regulation, guarantees the content and the irrevocable nature of the undertakings given by the Offeror in relation to the Offer.

The Offer will be conducted using the standard procedure in accordance with the provisions of Articles 232-1 *et seq.* of the AMF General Regulation.

A separate offer is made in the United States, on financial conditions which are identical to those of this Offer, to all holders of American Depositary Shares of Alcatel Lucent listed on the New York Stock Exchange (the "**NYSE**") under the symbol "ALU" (the "**ADSs**") wherever they are located, as well as to all U.S. holders of Alcatel Lucent Shares and OCEANEs (the "**U.S. Offer**" and, together with the Offer, the "**Offers**").

Holders of ADSs and U.S. holders of Alcatel Lucent Shares and OCEANEs may not tender their Securities in the Offer. The holders of ADSs, wherever located, and the U.S. holders of Alcatel Lucent Shares and OCEANEs may only tender their Securities in the U.S. Offer.

Holders of ADSs located outside of the United States may participate in the U.S. Offer only to the extent the local laws and regulations applicable to those holders permit them to participate in the U.S. Offer.

1.1. CONTEXT AND REASONS FOR THE OFFER AND INTENTIONS OF NOKIA OVER THE NEXT TWELVE MONTHS

The context of the Offer is presented in Section 1.1.1 of the Draft Offer Document.

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

The strategic rationale for combining the two companies includes:

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

Shareholders and OCEANEs holders of Alcatel Lucent should refer to the Draft Offer Document filed on October 29, 2015 by Nokia with the AMF (the "**Draft Offer Document**") for any details on the context and reasons for the transaction as well as Nokia's intentions over the next twelve months, including in respect of industrial, commercial and financial strategy and policy, intentions with respect to employment, management of Nokia and Alcatel Lucent or contemplated synergies.

1.2. AGREEMENTS THAT COULD HAVE A MATERIAL IMPACT ON THE ASSESSMENT OR OUTCOME OF THE OFFER

With the exceptions of the Memorandum of Understanding, a summary of which is provided in Section 1.1.2 of the Draft Offer Document and the liquidity agreement offered to Stock Option holders and to the beneficiaries of Performance Shares as described in Section 2.11 of the Draft Offer Document, Nokia is not aware of any other agreements which may have a material impact on the assessment of the Offer or its outcome.

Stock Options holders and Performance Units beneficiaries should refer to Section 2.11 of the Draft Offer Document for any details on liquidity provided to them.

2. CHARACTERISTICS OF THE OFFER

2.1. TERMS OF THE OFFER

The Offeror irrevocably offers to Alcatel Lucent's shareholders and holders of OCEANEs to exchange the Alcatel Lucent Shares and OCEANEs which they hold for Nokia shares under the following exchange ratio:

- 0.5500 Nokia share to be issued for 1 tendered Alcatel Lucent Share;
- 0.6930 Nokia share to be issued for 1 tendered Alcatel Lucent 2018 OCEANE;
- 0.7040 Nokia share to be issued for 1 tendered Alcatel Lucent 2019 OCEANE;
- 0.7040 Nokia share to be issued for 1 tendered Alcatel Lucent 2020 OCEANE;

These exchange ratios have been fixed on the basis of criteria set out in Section 2.23 of the Draft Offer Document.

No fractional Nokia shares will be issued by Nokia in the context of the Offer or, as the case may be, the Reopened Offer. As a consequence, Nokia will not remit fractional shares to Alcatel Lucent shareholders and holders of

OCEANES. Alcatel Lucent shareholders and holders of OCEANES who will tender into the Offer (or, as the case may be, in the Reopened Offer) a number of Alcatel Lucent Shares or OCEANES which does not entitle them to a whole number of new Nokia shares will be considered as having expressly agreed to participate in the mechanism to resell new Nokia shares which form fractional shares set out below for the fractional shares to which they are entitled. The holders of Performance Shares still subject to a holding period are invited to read Section 2.7 of the Draft Offer Document.

After completion of the Offer (or, as the case may be, in the Reopened Offer), Société Générale will set up a mechanism to resell Nokia shares which form fractional shares on behalf of the Alcatel Lucent shareholders and holders of OCEANES who will have tendered into the Offer (or, as the case may be, into the Reopened Offer) a number of Alcatel Lucent Shares or OCEANES which does not entitle them to a whole number of new Nokia shares.

Euronext Paris will aggregate the fractional Nokia shares in order to obtain a whole number of new Nokia shares (their number being rounded up to the higher unit) and will transfer them to Société Générale which will sell them on the market for the account of the Alcatel Lucent shareholders and holders of OCEANES who have participated in this resale mechanism no later than ten (10) trading days following the settlement-delivery of the Offer (or, as the case may be, of the Reopened Offer). The amount in cash (in EUR, rounded up to the closest cent; 0.5 cent shall be rounded up to 1 cent) will be paid to the Alcatel Lucent shareholders and holders of OCEANES who have participated in this mechanism to resell fractional shares will receive the net result of the sale in proportion to their participation in this mechanism, it being specified that Nokia will cover the broker fees as well as any other fees which may be related to the setting up of this resale mechanism.

However, no interest on the amount in cash which has to be received by Alcatel Lucent shareholders or holder of OCEANES as consideration for the Nokia fractional share shall be payable, even in case of a delayed payment.

According to the Memorandum of Understanding, if between the date of the Memorandum of Understanding (i.e., April 15, 2015) and the settlement-delivery date of the Offer or, if any, the Reopened Offer (or the relevant settlement date with respect to any additional acceleration mechanism of the stock options and performance shares plan), (i) the outstanding Alcatel Lucent Shares or Nokia shares are changed into a different number of shares or a different class by reason of any share dividend, subdivision, reclassification, split, reverse split, combination or exchange of shares, or (ii) the Company or Nokia resolve to pay any dividend (other than, with respect to Nokia, the ordinary dividend of 0.14 euros announced prior to the date of the Memorandum of Understanding, on January 29, 2015, and paid on May 21, 2015, it being specified that Nokia may, according to the Memorandum of Understanding, pay other ordinary course cash dividends consistent with past practice or a special cash dividend in an amount of up to one billion euros without the prior consent of Alcatel Lucent but which would give rise to an adjustment), or (iii) the Company or Nokia make any other distribution to its security holders or shareholders in each case with a record date before the settlement-delivery of the Offer or, if any, the Reopened Offer (or the relevant settlement date with respect to any additional acceleration mechanism of the stock options and performance shares plans), then the Offer exchange ratio will be appropriately adjusted to provide to the holder of such Company Security the same economic effect as contemplated by the Memorandum of Understanding prior to such event.

Any adjustment of the terms of the Offer will be submit beforehand to the AMF and will be announced in a press release by Nokia.

Prior to the opening of the Offer, the AMF and Euronext Paris will publish respectively an opening notice and a timetable of the Offer (*avis d'ouverture et de calendrier*) and a notice announcing the timetable and the terms and conditions of the Offer.

The Offer would remain open for 25 trading days, unless it is extended by the AMF. It will be centralized by Euronext Paris.

2.2. NUMBER AND NATURE OF SHARES TARGETED BY THE OFFER

At the date of the Draft Offer Document, Nokia does not hold, directly or indirectly, acting alone or in concert, any Alcatel Lucent Securities. Furthermore, at the date of the Draft Offer Document, Nokia has not concluded any agreement which allows it to acquire, by its own initiative, Alcatel Lucent Securities.

The Offer concerns:

- all the Shares of the Company:
 - o which are already issued (including Company treasury shares and shares held by its subsidiaries), namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 2 840 382 376 Shares;
 - o which may be issued before the closing of the Offer or the Reopened Offer, following (i) the conversion of OCEANEs (namely, to the knowledge of the Offeror at the date of the Draft Offer Document, a maximum number of 801 221 218 Shares), or (ii) the exercise of Alcatel Lucent stock options (namely, to the knowledge of the Offeror at the date of the Draft Offer Document, a maximum number of 84 050 881 Shares);

namely, a maximum number of 3 725 654 475 Shares targeted by the Offer, to the knowledge of the Offeror at the date of the Draft Offer Document;

- all of the Company's 2018 OCEANEs, namely, to the knowledge of the Offeror at the date of the Draft Offer Document, 349 413 670 2018 OCEANEs;
- All of the Company's 2019 OCEANEs, namely, to the knowledge of the Offeror at the date of Draft Offer Document, 167 500 000 2019 OCEANEs; and
- All of the Company's 2020 OCEANEs, namely, to the knowledge of the Offeror at the date of Draft Offer Document, 114 499 995 2020 OCEANEs.

2.3. NUMBER, ORIGIN AND CHARACTERISTICS OF THE NOKIA SHARES TO BE ISSUED IN THE OFFER

On the basis of a maximum total number of 3 725 654 475 Alcatel Lucent Shares (including Shares issuable upon conversion of OCEANEs or exercise of Stock Options) targeted by the Offer and if the participation in the offer is 100%, a maximum number of 2 049 109 961 Nokia shares may be issued in the Offer.

The exact number of Nokia shares to be issued will depend on the number of Alcatel Lucent Shares and/or OCEANEs tendered in the Offer and, as the case may be, into the Reopened Offer, and will be determined after the publication by the AMF of a notice of the definitive results of the Offer or, as the case may be, of the Re-opened Offer.

The Nokia shares offered in exchange of the Securities tendered into the Offer will be newly issued Nokia shares, issued by a decision of the board of directors of Nokia, acting under the authorization to be granted to it by the extraordinary general meeting of Nokia's shareholders convened October 22, 2015 and scheduled to take place on December 2, 2015, subject to the approval of this resolution by the such meeting.

By this resolution, the extraordinary general meeting of Nokia's shareholders would authorize the board of directors of Nokia to issue Nokia shares, disregarding the shareholders' pre-emptive subscription rights, as consideration for the shares tendered into the Offers.

The exact number of new Nokia shares to be issued will depend on the number of Securities tendered into the Offer and will be determined after the publication by the AMF of a notice of the results of the Offer or, as the case may be, of the Reopened Offer.

The new Nokia shares would be issued in accordance with Finnish law and would be governed by Finnish law.

The new Nokia shares would be ordinary shares from the same category, entirely paid-up, with voting right and without nominal value. They will have the same rights and benefits as all existing ordinary shares, including the right to any future dividend. A more detailed description of the rights and obligations of the Nokia shares is to be found in Annex to the Draft Offer Document.

All Nokia existing shares will be in principle admitted to trading on Euronext Paris the trading day following the opening of the Offer. The new Nokia shares issued in the context of the Offer and, as the case may be, the Reopened Offer, will be admitted to trading on Nasdaq Helsinki and on Euronext Paris as of the date of the settlement-delivery of the Offer and, as the case may be, the Reopened Offer. Following the Offer, all Nokia shares will be listed on Nasdaq Helsinki, on Euronext Paris and, through ADSs, on the NYSE.

2.4. CONDITIONS OF THE OFFER

2.4.1. Minimum Tender Condition

In accordance with the provisions of Article 231-9 (II) of the AMF General Regulation, the Offer is subject to a number of Securities being tendered into the Offer and the U.S. Offer, on the announcement date of the results of the Offer by the AMF taking into account the results of the U.S. Offer, of more than 50% of the Shares of the Company on a fully diluted basis (the "**Minimum Tender Condition**").

The Minimum Tender Condition shall be calculated as follows:

- the numerator includes (i) all Shares validly tendered into the Offer and into the U.S. Offer (including Shares represented by ADSs) on the closing date of the last of the two Offers and (ii) all Shares issuable upon conversion of the OCEANEs validly tendered into the Offer and into the U.S. Offer on the day of the closing of the last of the two Offers, taking into account the conversion ratio applicable on the closing date of such Offers;
- the denominator includes (i) all Shares issued and outstanding (including Shares represented by ADSs) on the closing date of the last of the two Offers and (ii) all Shares issuable at any time prior to, on or after the closing date of the last of the two Offers upon conversion of the OCEANEs (taking into account the conversion ratio applicable on the closing date of such Offers), exercise of Stock Options or acquisition of Performance Shares.

The Offeror, the Company and the Alcatel Lucent shareholders and holders of OCEANEs will not know whether the Minimum Tender Condition is satisfied before the publication of the results of the Offer taking into account the results of the U.S. Offer, which will take place after the closing of both Offers.

The Offeror reserves the ability to waive the Minimum Tender Condition on or before the day of publication by the AMF of the results of the Offer taking into account the results of the U.S. Offer, in accordance with the provisions of Article 231-9 (II) of the AMF General Regulations, or to suppress or lower this Minimum Tender Condition by submitting an improved offer no later than 5 trading days before the closing of the Offer, in accordance with the provisions of Article 232-7 of the AMF General Regulation.

If the Minimum Tender Condition (calculated as indicated above) is not satisfied and except if the Offeror decides to waive the Minimum Tender Condition as mentioned in the previous paragraph, the Offer shall not continue and the Securities tendered into the Offer shall be returned to their owners, without interest, compensation or any other payment which may be owed to owners.

2.4.2. Mandatory Minimum Acceptance Threshold (in case of waiver of the Minimum Tender Condition)

In case of a waiver by the Offeror of the Minimum Tender Condition, by application of the provisions of Article 231-9 (I) of the AMF General Regulation, the Offer will lapse if, on the closing date of the Offer, the Offeror does not hold a number of Company Shares representing more than 50% of the Company share capital or the voting rights, taking into account, if necessary, the Shares resulting from the conversion of the OCEANEs tendered into the Offer and the U.S. Offer (the "**Mandatory Minimum Acceptance Threshold**").

The Offeror undertakes, provided that this is necessary to reach the Mandatory Minimum Acceptance Threshold, to convert from the settlement-delivery of the Offer a sufficient number of OCEANEs that would be tendered into the Offer and the U.S. Offer so that, taking into account the Shares and voting rights attached to the Shares resulting from the conversion of such OCEANEs, the Offeror holds a number of Shares representing a fraction of share capital and voting rights of the Company higher than the Mandatory Minimum Acceptance Threshold. The conversion of such OCEANEs will be deemed to have retroactive effect to the date of closing of the Offer for the purpose of calculating the Mandatory Minimum Acceptance Threshold.

The Mandatory Minimum Acceptance Threshold shall be calculated as follows:

- the numerator includes (i) all Shares validly tendered into the Offer and into the U.S. Offer (including Shares represented by ADSs) on the closing date of the last of the two Offers, (ii) all Shares issuable upon conversion of the OCEANEs validly tendered into the Offer and into the U.S. Offer on the closing date of the last of the two Offers, taking into account the conversion ratio applicable on the closing date of such Offers, and (iii) all treasury shares held by the Company as well as the Shares held by its subsidiaries;
- the denominator includes (i) all Shares issued and outstanding (including Shares represented by ADSs) on the closing date of the last of the two Offers and (ii) all Shares issuable upon conversion of the OCEANEs validly tendered into the Offer and into the U.S. Offer on the closing date of the last of the two Offers, taking into account the conversion ratio applicable on the closing date of such Offers.

As far as the Offeror is aware, at the date of the Draft Offer Document, the Mandatory Minimum Acceptance Threshold corresponds to holding 1 420 191 189 Shares or 1 443 268 358 Alcatel Lucent voting rights (on the basis of a total number of 2 840 382 376 issued Shares and 2 886 536 714 theoretical voting rights).

Whether the Mandatory Minimum Acceptance Threshold has been reached will not be known before the publication of the final results of the Offer taking into account the results of the U.S. Offer, which will take place after the closing of the Offer.

If the Mandatory Minimum Acceptance Threshold (calculates as indicated above) is not reached, the Offer would not be continued and, therefore, the Securities tendered into the Offer would be returned to their owners, in principle, within three trading days after the publication of the results notice (*avis de résultat*) notifying the lapse of the Offer, without interest, compensation or any other payment which may be owed to owners.

2.4.3. Authorization of the extraordinary general meeting of Nokia's shareholders

The Offer is subject to the approval of the extraordinary general meeting of Nokia's shareholders, convened by the board of directors of Nokia on October 22, 2015 and scheduled to take place on December 2, 2015, of a resolution related to the authorization of the board of directors to resolve on the issuance of the Nokia shares as consideration for the Securities tendered into the Offer or, as the case may be, into the Reopened Offer.

This resolution shall be approved by a two-thirds majority of the votes cast and shares represented at the extraordinary general meeting.

If, for any reason, the condition provided by this Section 2.4.3 is not satisfied, the Offer will lapse automatically in accordance with the provisions of Article 231-12 of the AMF General Regulation, without interest, compensation or any other payment due.

2.5. REOPENING OF THE OFFER

In accordance with the provisions of Article 232-4 of the AMF General Regulation, if the Offer is successful, it will be automatically reopened in the 10 trading days after the publication of final result of the Offer, except if the squeeze-out is filed within 10 trading days from this publication, according to paragraph 4 of the above-mentioned Article. The AMF will publish the reopening timetable, which will last 10 trading days (the "**Reopened Offer**")

In case of reopening of the Offer, the terms of the Reopened Offer would be the same as the terms of the initial Offer. In particular, the tender and centralization procedure of the Reopened Offer would be the same as the procedure applicable to the Offer set out in Section 2.13 of the Draft Offer Document, it being understood that the orders to tender into the Reopened Offer are irrevocable.

In case of reopening of the Offer, the AMF will publish a timetable related to the Reopened Offer.

2.6. SQUEEZE-OUT

The Offeror intends to request from the AMF, within a three-month period as from the closing of the Offer (or, as the case may be, the Reopened Offer), the implementation of a squeeze-out in order for the Alcatel Lucent Shares (excluding Alcatel Lucent treasury shares) and/or, as the case may be, the OCEANEs not tendered into the Offer and into the U.S. Offer (or, as the case may be, the Reopened Offer) to be transferred to Nokia if the conditions as satisfied.

The implementation of a squeeze-out concerning the Alcatel Lucent Shares not tendered into the Offer and into the U.S. Offer (or, as the case may be, the Reopened Offer) (excluding Alcatel Lucent treasury shares) will be possible if the Alcatel Lucent Shares not tendered into the Offer and into the U.S. Offer (or, as the case may be, the Reopened Offer) by minority shareholders (excluding Alcatel Lucent Shares held in treasury) represent not more than 5% of the shares or of the voting rights of Alcatel Lucent, in accordance with the provisions of Articles L. 433-4, III of the Financial and Monetary Code and 237-14 *et seq.* of the AMF General Regulation. The squeeze-out will concern in particular the Performance Shares subject to a holding period and which would not have been tendered into the Offer or, as the case may be, the Reopened Offer.

The implementation of a squeeze-out concerning the Alcatel Lucent OCEANEs not tendered into the Offer and into the U.S. Offer (or, as the case may be, the Reopened Offer) will be possible if the Shares not tendered into the Offer and into the U.S. Offer (or, as the case may be, the Reopened Offer) held by minority shareholders (excluding Alcatel Lucent Shares held in treasury) and the Shares which may be issued following the conversion of the OCEANEs not tendered into the Offer and into the U.S. Offer (and, as the case may be, the Reopened Offer), represent no more than 5% of the sum of all existing Alcatel Lucent Shares and of the Shares which may be created following the conversion of OCEANEs, in accordance with the provisions of Articles L. 433-4, IV of the French Financial and Monetary Code and 237-14 *et seq.* of the AMF General Regulation.

2.7. MERGER – LEGAL REORGANIZATION

If the requirements for a squeeze-out, as set out in Section 1.2.7 of the Draft Offer Document are not met, the Offeror may (i) commence at any time a public buy-out offer followed by a squeeze-out for the Company Shares it does not own if it were to hold at least 95% of the voting rights of the Company after the closing of the Offer (or, as case may be, the Reopened Offer), in accordance to Articles 236-3 of the AMF General Regulation, (ii) commence at any time a simplified public exchange offer for the Company Shares if it were not hold at least 95% of the voting rights of the Company, in accordance to Articles 233-1 *et seq.* of the AMF General Regulation, (iii) cause Alcatel Lucent to be merged into Nokia or an affiliate thereof, contribute assets to, merge certain of its subsidiaries with, or undertake other reorganizations of, Alcatel Lucent, or (iv) take any other steps not mentioned above to consolidate its ownership of Alcatel Lucent.

2.8. RESTRICTIONS CONCERNING THE OFFER OUTSIDE FRANCE

The Offer is being made only in France. The Draft Offer Document is not intended to be distributed in any country other than France.

The Offer is not subject to any formality, registration or visa outside France. Holders of Alcatel Lucent Shares and OCEANEs outside France cannot participate to the Offer unless the local law applicable to them allows it. Indeed, the participation to the Offer and the distribution of the Draft Offer Document may be subject to restrictions outside France. The Offer is not directed, directly or indirectly, to persons who are subject to such restrictions and may not

be accepted from a country in which the Offer is subject to restrictions. Persons who are in possession of the Draft Offer Document must comply with the restrictions in force in their countries. A failure to comply with such restrictions may constitute a breach of the applicable stock exchange laws and regulations in these countries.

The Offeror declines any responsibility in case of breach by any person of applicable restrictions.

The Draft Offer Document and the other documents relating to the Offer do not constitute an offer to sell or purchase transferable financial instruments or a solicitation of such an offer in any country in which such an offer or solicitation is illegal or to any person to whom such an offer or solicitation could not be duly made.

The Draft Offer Document does not constitute an extension of the offer made in the United States and the Offer is not being made, directly or indirectly, in the United States, to persons located in the United States, by use of the mail, or by any means of communication or instrumentality of commerce (including, but not restricted to, transmissions by fax, phone and email) of the United States or of any facility of a United States securities exchange. Consequently, copies of the Draft Offer Document and other documents relating to this document or to the Offer may not be mailed, communicated, or otherwise distributed in the United States by an intermediary or any other person in any manner whatsoever. Accordingly, no shareholder or holder of OCEANEs may tender his Shares or his OCEANEs into the Offer if he cannot represent that (i) he has not received in the United States a copy of the Draft Offer Document or any other document related to the Offer and that he did not send any such document into the United States, (ii) he has not used, directly or indirectly, the mails, or a means of communication or other means or instrumentality of commerce or the facilities of a United States securities exchange in relation to the Offer, (iii) he was not in the United States when he accepted the Offer or gave his order to tender his shares and (iv) he is not an agent nor a fiduciary acting for a person other than a person who gave his instructions outside the United States. Authorized intermediaries may not accept orders to tender securities which have not been made according to the provisions set forth above (except as otherwise expressly authorized or instructed by or on behalf of the Offeror, in its absolute discretion).

The U.S. Offer is initiated in the United States in parallel and separately from this proposed Offer. The U.S. Offer is open to all holders of Shares and OCEANEs who are resident in the United States and to holders of ADSs, regardless of whether they are residents or not in the United States, in accordance with the exchange offer and the documents which the Offeror will file with the U.S. Securities and Exchange Commission (the "Documents of the U.S. Offer"). U.S. holders of Securities may not tender their Securities into the Offer. U.S. holders of Securities who wish to tender their Securities into the Offers may only tender them into the U.S. Offer. Furthermore, holders of ADSs may not tender their securities into the Offer. The holders of ADSs who wish to tender their ADSs into the Offers may also tender their securities into the U.S. Offer.

Subject to the comments and authorizations of the AMF and the U.S. Securities and Exchange Commission, the Offer and the U.S. Offer shall be filed with substantially identical terms and their implementation will be similarly coordinated. Any shareholders or holders of OCEANES who are resident in the United States and holders of ADSs, regardless of whether they are residents or not in the United States, must read and refer to the Documents of the U.S. Offer set out in the paragraph above and not to the documents of the Offer, in order to decide whether to tender or not their Shares, OCEANES and ADSs into the U.S. Offer.

For the purposes of the paragraphs above, United States means the United States of America, their territories and possessions, or any of these States, or the District of Columbia.

3. TIMETABLE OF THE OFFER

An indicative timetable is set forth below and is still to be approved by the AMF:

- | | |
|------------------|---|
| October 29, 2015 | <ul style="list-style-type: none">■ Filing by the Offeror of the proposed Offer and the Draft Offer Document with the AMF■ Dissemination to the public and publication of the Offeror's Draft Offer Document on the websites of the AMF (www.amf-france.org) and the |
|------------------|---|

- Offeror (www.nokia.com)
- Filing by the Company of a draft response document with the AMF
 - Dissemination to the public and publication of the Company's draft response document on the websites of the AMF (www.amf-france.org) and the Company (www.alcatel-lucent.com)
 - Publication of a press release by the Offeror announcing the filing of the Draft Offer Document and by the Company announcing the filing of the draft response document
- November 12, 2015
- Clearance decision of the Offer by the AMF constituting a visa for the offer document and for the response document and dissemination to the public of the approved documents
 - Publication of the offer document and the response document approved by the AMF
- November 17, 2015
- Publication of the "other information" document by the Offeror and the Company
- November 18, 2015
- Opening of the Offer
- November 19, 2015
- Admission of the existing Nokia shares on Euronext Paris
- December 2, 2015
- Extraordinary general meeting of the Offeror's shareholders to approve the resolution related to the authorization of the board of directors of the Offeror to resolve on the issuance of the Nokia shares as consideration for the Securities tendered into the Offer and, as the case may be, into the Reopened Offer
- December 22, 2015
- Closing of the Offer
- December 30, 2015
(January 6, 2015 at the latest)
- Publication by the AMF of a notice of the final result of the Offer
- January 7, 2016
- Settlement-delivery of the Offer
 - Admission of new Nokia shares issued in the context of the Offer to trading on Nasdaq Helsinki and on Euronext Paris
- In case of reopening of the Offer:
- January 14, 2016
- Reopening of the Offer
- February 3, 2016
- Closing of the Reopened Offer
- February 8, 2016
- Publication of a notice of the result of the Reopened Offer
- February 12, 2016
- Settlement-delivery of the Reopened Offer
 - Admission of new Nokia shares issued in the context of the Reopened Offer to trading on Nasdaq Helsinki and on Euronext Paris

4. SUMMARY OF THE ELEMENTS PROVIDED TO APPRAISE THE EXCHANGE RATIO FOR THE SHARES

Criteria	Nokia implied share price (EUR)	Alcatel Lucent implied share price (EUR)	Resulting exchange ratio	Premium / (Discount) implied by the Exchange Ratio
Share price - as of April 9, 2015				
Spot price as of April 9, 2015	7.18	3.65	0.5084	8.2%
1-month VWAP	7.20	3.57	0.4964	10.8%
3-month VWAP	6.99	3.30	0.4727	16.4%
6-month VWAP	6.70	2.83	0.4226	30.1%
12-month VWAP	6.36	2.76	0.4342	26.7%
12-month low - in EUR	5.14	1.88	0.3654	50.5%
12-month high - in EUR	7.35	3.72	0.5054	8.8%
Analysts' target price - as of April 9, 2015				
Analysts' target price	7.01	3.78	0.5395	1.9%
Trading comparables - as of April 9, 2015				
15E EBIT ⁽¹⁾	7.30	3.45	0.4725	16.4%
16E EBIT ⁽¹⁾	7.20	3.53	0.4900	12.2%
Discounted cash flows method				
Discounted cash flows	6.67	3.41	0.5114	7.5%

(1) Adjusted EBIT before restructuring costs and goodwill amortization based on consensus forecasts

5. SUMMARY OF THE ELEMENTS PROVIDED TO ASSESS THE EXCHANGE RATIO FOR THE OCEANES

	Bond price (EUR)			Exchange ratio for the bonds ⁽¹⁾			Premium / (discount)		
	OC 2018	OC 2019	OC 2020	OC 2018	OC 2019	OC 2020	OC 2018	OC 2019	OC 2020
Share prices									
Spot as of April 9, 2015	3.99	4.67	4.67	0.5561	0.6503	0.6498	24.6%	8.3%	8.3%
1m average	3.92	4.63	4.63	0.5451	0.6430	0.6427	27.1%	9.5%	9.5%
3m average	3.72	4.51	4.49	0.5317	0.6459	0.6426	30.3%	9.0%	9.6%
6m average	3.37	4.20	4.13	0.5033	0.6269	0.6163	37.7%	12.3%	14.2%
12m average	3.27	NA	NA	0.5146	NA	NA	34.7%	NA	NA
Min (12 months)	2.42	3.47	3.26	0.3944	0.5654	0.5320	75.7%	24.5%	32.3%
Max (12 months)	4.06	4.72	4.73	0.5571	0.6475	0.6487	24.4%	8.7%	8.5%
Theoretical value									
Value with Nokia share price of EUR 7.18 (as of April 9, 2015)	4.00	4.59	4.55	0.5564	0.6341	0.6295	24.6%	11.0%	11.8%
Takeover conversion value									
Value in the case of the Public Offering	4.98	5.05	5.05	0.6930	0.7040	0.7040	-	-	-
Early repayment value (@ par value)									
In the case of a Change of Control	1.81	4.11	4.02	0.2524	0.5724	0.5599	174.5%	21.1%	23.8%

(1) Implied ratios based on Nokia reference share prices (Spot as of April 9, 2015, volume weighted average prices 1m, 3m, 6m and 12m, spot price corresponding to Alcatel bonds maximum and minimum values over the past 12 months) Implied ratios for theoretical value, takeover conversion value and early repayment value are based on Nokia share price as of April 9, 2015

6. INVESTOR RELATIONS

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Disclaimer

This press release was prepared for informational purpose only. This press release does not constitute an offer to the public nor is it intended to be transmitted in any other country than France. The transmission of this press release, the Offer and its acceptance may be subject to specific regulations or restrictions in certain countries. The Offer is not directed to any persons subject to such restrictions, neither directly or indirectly, and may not be accepted in any way from a country where the Offer would be subject to such restrictions. Consequently, persons in possession of this press release are responsible for informing themselves on potential applicable local restrictions and for complying with such restrictions. Nokia accepts no responsibility for any violation of such restrictions by any person.