Microsoft, Nokia Deal Delayed Over Antitrust Reviews in Asia

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Microsoft and Nokia today pushed back the close of their pending merger [1] from the first quarter of 2014 to April.

Nokia said Microsoft's plans to buy the Finnish handset giant's devices and services business has already earned regulatory approval from the European Commission and the U.S. Department of Justice. But antitrust authorities in Asia continue to review the transaction, causing the companies to delay the expected closing date.

Nokia assured that both it and Microsoft are still on schedule with integration plans and to meet closing conditions. Nokia also said in a statement that the delay inapproval has nothing to do with the handset maker's tax troubles in India [2], where Nokia has so far been hit with claims of nearly $1 billion in unpaid taxes. India's Supreme Court has ordered Nokia to pay back $572 million before it can transfer assets in India, including a large manufacturing facility, to Microsoft.

In September 2013, Nokia announced it was selling its handset business and licensing patents to Microsoft for $7.2 billion [3]. U.S. regulatory and shareholder approval were both set before the end of 2013.

While the deal continues to move toward closing, Nokia's once-iconic phones continue to struggle for sales. In the first quarter, Nokia announced a 29 percent annual decline [4] in sales for its device business.

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[1] http://press.nokia.com/2014/03/24/nokia-expects-the-sale-of-substantially-all-of-its-devices-services-business-to-microsoft-to-close-in-april-2014/
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