

Nokia to cut up to 14,000 jobs after profits plunge

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Nokia has announced plans to cut up to 14,000 jobs over the next three years as it slashes costs after a worse-than-expected slump in demand for its mobile network equipment. The Finnish technology company said the plans to cut 16% of its 86,000-strong global workforce were part of efforts to cut costs by €1.2bn by the end of 2026. The cuts were announced as the company revealed a 70% drop in third-quarter profits, which fell to €133m (£116m) compared with €428m a year earlier. The Nokia chief executive, Pekka Lundmark, said: "The most difficult business decisions to make are the ones that impact our people. We have immensely talented employees at Nokia and we will support everyone that is affected by this process. "Resetting the cost base is a necessary step to adjust to market uncertainty and to secure our long-term profitability and competitiveness. We remain confident about opportunities ahead of us." Nokia, which is headquartered in Espoo, Finland, did not detail where the job cuts would fall. It currently employs about 37,700 people in Europe, including in the UK, where it has offices in Bristol, Cambridge and Reading. Job cuts are also likely to affect its operations in the US, where it has about 10,500 staff in offices including in Chicago and Dallas. Nokia said the exact scale of the cost-cutting programme would depend on demand for its products. However, it "expects to act quickly" in order to save as much as €400m next year and another €300m in 2025. The company said that demand across the wider mobile networks market was likely to drop 9% overall this year. That is compared with previous expectations for a 2% decline. That reflected a drop in sales in countries including India, where Nokia said the pace of the country's 5G rollout had "moderated" and was "no longer enough to offset the slowdown in North America".