

Nokia to lay off 170 workers worldwide

May 19 2009

(AP) -- Nokia Corp. said Tuesday it will lay off 170 workers worldwide to further cut costs as the global downturn continues to weaken demand in the mobile phone industry.

The job cuts, in production and logistics for mobile devices, will not affect production [employees](#) at Nokia's mobile device manufacturing facilities, the world's biggest handset maker said.

Nokia said it will also offer buyouts to 320 employees at its manufacturing plant in Salo plant in Finland after a similar program for 1,000 global Nokia employees proved popular.

"The earlier voluntary resignation package ... raised a lot of interest among production employees, who were excluded from this particular global program," said Ville Valtonen, from Nokia's personnel department in Finland. "We now want to offer this opportunity to our production employees in Salo, as we continue to adjust capacity according to market demand."

Nokia stock closed up 4.3 percent at euro11.19 (\$15.23) on the Helsinki [Stock Exchange](#).

Earlier this year, Nokia announced more than 2,400 job cuts globally and temporary layoffs of 2,500 workers in Finland.

The company aims to slash costs at its handset unit by euro700 million (\$920 million) annually, and on Tuesday said it will continue "to seek

savings in operational expenses, looking at all areas and activities across the company."

In April, Nokia reported that first-quarter net profit plummeted 90 percent to euro576 million and sales fell 27 percent as the world [economic downturn](#) continued to hit the mobile industry.

Nokia employs 124,000 people worldwide. Last year, it sold 468 million handsets, up 7 percent on 2007.

On the Net:

[Nokia: http://www.nokia.com](http://www.nokia.com)

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