

Ericsson profit down 10 pct despite higher sales

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Wireless equipment maker Ericsson says its third-quarter earnings slumped 10 percent despite higher sales due to increased operating costs and negative effects from currency hedging.

Ericsson said Friday net profit dropped to 2.65 billion kronor (\$365 million), from 2.92 billion kronor in the same period last year.

Sales rose 9 percent to 57.6 billion kronor, driven by growth in the Middle East, Russia, China and India, and offsetting declining sales in North America.

Ericsson said costs rose due to higher research and development spending as well as expenses related to hedging its risks against shifts in foreign currencies.

Ericsson shares were down 1.5 percent at 84.30 kronor in early trading in Stockholm.

Based in the Swedish capital, the company is a world-leading maker of the infrastructure for mobile broadband networks.

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