

Nokia profit hit as clients wary of spending on new networks

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Headquarters of Finnish telecommunication network company Nokia pictured in Espoo, Finland, Thursday July 26, 2018. Nokia announced it's second quarter 2018 financial results on Thursday. (Mikko Stig/Lehtikuva via AP)

Nokia says its second-quarter earnings slumped as clients were not willing yet to increase spending on the faster but more expensive new generation of mobile networks and are seeking price cuts.

The Finnish maker of telecommunications gear said Thursday that its [net profit](#) for the April-June period came in at 144 million euros (\$169 million), down from 449 million euros a year earlier. Sales fell 6 percent to 5.3 billion euros.

Nokia Corp. expects investments in the new 5G mobile equipment to pick up significantly in the second half of the year. CEO Rajeev Suri said the company was "well-positioned for the coming technology cycle given the strength of our end-to-end portfolio."

Suri noted Nokia has already succeeded in winning early 5G market deals in China and the U.S.



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