

Nokia 4Q profit beats expectations on back of robust demand

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Wireless and fixed-network equipment maker Nokia on Thursday reported strong fourth-quarter results on the back of robust demand for 5G technology and an improved product portfolio.

The Espoo, Finland-based company reported net profit of 929 million euros (\$1 billion) for the October-December period, up 27% from 731 million euros a year earlier.

Net income attributable to shareholders was 931 million euros, up from 727 million euros the previous year.

Nokia's sales were up 16% at 7.4 billion euros. The company's performance during the quarter exceeded analyst expectations.

CEO Pekka Lundmark said in a statement that the fourth quarter's highlight was the "stellar" performance of the company's network infrastructure business unit, which recorded 14% [revenue growth](#) "with significant operating margin expansion."

Lundmark said he expected 2023 to be "another year of growth" for Nokia, although he noted that "we are mindful of the uncertain economic outlook."

For full year 2022, Nokia recorded sales of 24.9 billion euros, up 12% from the previous year, with [net profit](#) of 2.5 billion euros, an 18% year-on-year increase.

"We said at the start of 2022 that it would be a year of acceleration, and we delivered what we promised," Lundmark said. "The Nokia team did a great job navigating geopolitical, economic and supply challenges, successfully executed our strategy and delivered a strong full-year performance."

Nokia is one of the world's main suppliers of 5G, the latest generation of broadband technology, along with Sweden's Ericsson, China's Huawei and South Korea's Samsung.

Earlier this week, Nokia said it had concluded a multi-year license patent agreement with Samsung that allows the Korean company to use Nokia's technology in its products in exchange for royalties.

Lundmark told reporters Thursday that Nokia has nearly completed its exit from the Russian market, a move that was announced after Russia's February 2022 invasion of Ukraine.

The Finnish company denounced Moscow's action and said it would move its research and development activities out of Russia, where it employed a few thousand people. Nokia said it also would cease sales of its equipment and software in the country.

"We are now at the very last meters in implementing the exit program published last April," Lundmark said. "When our exit has taken place, we won't deliver anything there."

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