

Nokia completes sale of handset business to Microsoft

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By dpa

Finnish telecommunications group Nokia said Friday that it had completed the sale of “substantially all” of its handset business to the US software giant Microsoft.

The 5.44-billion-euro (US\$7.2-billion) deal was unveiled in September, but Nokia said the price tag could be slightly higher based on final adjustments.

It consists of 3.79 billion euros for Nokia’s devices and services divisions and 1.65 billion euros for its patents.

Nokia and Microsoft cleared a major hurdle this month when China’s Ministry of Commerce approved the transaction.

Nokia was the world’s leading mobile phone maker until smartphones from Apple as well as companies using Google’s Android operating system overtook it.

With the completion of the sale, Nokia will consist of the network infrastructure and services division NSN and the mapping services unit HERE. Nokia was due Tuesday to present first-quarter results.

Nokia said its plants in Chennai in India and Masan in South Korea would not transfer to Microsoft.

The Chennai plant is subject to an asset freeze by Indian tax authorities over an ongoing tax dispute. The plant was to make mobile devices for Microsoft.

The Masan plant has about 200 employees, and Nokia planned to close it.

Employees in Chennai and Masan were to be offered support if they wished to look for work outside Nokia, the group said.

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