

Microsoft's Worst Loss: Nokia's Fault!

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Microsoft reports a \$3.2 billion net loss on its fiscal Q4 2015-- the biggest loss suffered by the company yet, caused by the writing down of the Nokia phone business and, of course, the current decline of the PC market.



Overall Microsoft fiscal Q4 2015 revenues total \$22.2bn, a -5% Y-o-Y decline.

The quarter saw the company hit by one-off charges worth \$8.4bn caused by the \$7.5bn writedown of Nokia assets and various restructuring charges. Announced earlier in July, the writedown involves 7800 job cuts (or 7% of the total Microsoft workforce) and the scaling back of smartphone plans.

Meanwhile the PC sales slump leads to Windows OEM sales falling by -22% Y-o-Y.

However CEO Satya Nadella insists Microsoft will not stay in the red for long, as the company sees double-digit rapid growth in the cloud (including Azure, Office 365 and Dynamics CRM Online), Xbox and the Surface tablet. The company also has high hopes for the upcoming Windows 10 release.

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