

Washington Post stems tide of red ink

July 31 2009



Flags wave in front of the Washington Post building in Washington, DC. The Washington Post Co. reversed its slide and posted a quarterly profit on Friday despite a steep decline in advertising revenue at its flagship newspaper.

The Washington Post Co. reversed its slide and posted a quarterly profit on Friday despite a steep decline in advertising revenue at its flagship newspaper.

The Post Co. reported a [net profit](#) of 11.4 million dollars, or 1.30 dollars per share, for the second quarter of the year compared with a net loss of 2.7 million dollars during the same period last year.

The Post Co. posted a first-quarter net loss of 19.5 million dollars.

Second-quarter revenue increased two percent over last year to 1.13 billion dollars with the Post Co.'s Kaplan educational unit accounting for 58 percent of revenue for the period.

Revenue declined at the newspaper, magazine and television broadcasting divisions with the newspaper division contributing just 15 percent of revenue in the quarter which ended on June 28.

The Post Co.'s second-quarter bottom line was boosted by growth at Kaplan, which saw operating income increase by 23 percent to 58.1 million dollars and revenue rising by 13 percent to 649.3 million dollars.

Revenue from the Post Co's cable television company, Cable One, grew four percent to 186.7 million dollars while operating income fell one percent to 39.8 million dollars.

Newspaper publishing division revenue fell 14 percent to 168.8 million dollars and the division posted an operating loss of 89.3 million dollars for the quarter compared with an operating loss of 96.7 million dollars a year ago.

Print advertising revenue declined 20 percent in the quarter to 80 million dollars and was down 27 percent for the first six months of the year to 154.3 million dollars.

The newspaper division results included a one-time charge of 56.8 million dollars for 220 Post employees who opted for early retirement or "buyouts."

Online [advertising revenue](#) declined nine percent in the quarter to 23.5 million dollars.

The Post said daily circulation fell 1.5 percent in the first six months of the year to 622,700 while Sunday circulation was down 2.6 percent to 858,100.

The Post Co.'s magazine division, which includes Newsweek, Slate and

other titles, posted an operating loss of five million dollars on a 27 percent slide in revenue to 45.5 million dollars.

Television broadcasting division revenue fell 20 percent to 66.7 million dollars while [operating income](#) declined 52 percent to 14.3 million dollars.

Like other US newspapers, the Post has been grappling with a steep drop in [print advertising](#) revenue, steadily declining circulation and the migration of readers to free news online.

Post Co. shares were up marginally in early trading in New York, gaining 0.06 percent to 419.37 dollars.

(c) 2009 AFP

Citation: Washington Post stems tide of red ink (2009, July 31) retrieved 27 April 2024 from <https://phys.org/news/2009-07-washington-stems-tide-red-ink.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.