

News Corp. net profit up on movie, cable TV showing

November 4 2009



The News Corporation building is shown in New York City. Global media giant News Corp. posted an 11 percent rise in quarterly net profit on Wednesday as strong results from its movie, cable television and book publishing divisions offset a newspaper slump.

Global media giant News Corp. posted an 11 percent rise in quarterly net profit on Wednesday as strong results from its movie, cable television and book publishing divisions offset a newspaper slump.

News Corp. reported a [net profit](#) of 571 million dollars, or 22 cents per share, for the first quarter of its fiscal year compared with 515 million dollars, or 20 cents per share, in the same quarter a year ago.

Revenue declined 4.1 percent to 7.2 billion dollars but was better than the 7.16 billion dollars forecast by analysts, who had also expected earnings of 18 cents per share.

[News Corp.](#) chairman and chief executive [Rupert Murdoch](#) welcomed what he called "exceptionally strong results" despite "continued macro-economic challenges."

"The strategic steps we took last year to ensure stability during the downturn have proven successful, with significant cost reductions offsetting much of the revenue declines in our television and newspapers and information services segments," Murdoch said.

"The economies in which we do business are clearly in better shape than they were a year ago, and we have further positioned our operations to take advantage of the improvements we are seeing globally," he said.

Operating income soared 56 percent in the film division to 391 million dollars largely on the strength of 20th Century Fox's "Ice Age: Dawn of the Dinosaurs," which has grossed more than 880 million dollars at the box office.

Operating income at the cable television division rose 41 percent to 495 million dollars but fell sharply at the broadcast television division to 38 million dollars from 83 million dollars a year ago.

Newspaper division revenue declined 81 percent to 25 million dollars.

Newspapers are struggling with plunging print [advertising revenue](#), steadily declining circulation and the migration of readers to free news online and Murdoch has announced plans to start charging online readers.

Currently, the [Wall Street Journal](#) is the only the News Corp.-owned publication that charges a subscription fee to view all content on its website.

Operating income at the book publishing division rose from three million dollars a year ago to 20 million dollars.

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Citation: News Corp. net profit up on movie, cable TV showing (2009, November 4) retrieved 10 April 2024 from <https://phys.org/news/2009-11-news-corp-net-profit-movie.html>

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