

Motorola Mobility narrows loss as phone sales rise

April 29 2011, By RACHEL METZ , AP Technology Writer



In this Feb. 2, 2011 file photo, a Motorola Mobility Xoom tablet is shown at Google headquarters in Mountain View, Calif. Motorola Mobility reports quarterly financial earnings Thursday, April 28, 2011, after the market close. (AP Photo/Paul Sakuma, File)

(AP) -- Motorola Mobility Holdings Inc., the maker of cellphones and cable set-top boxes that split off from the rest of Motorola in January, said Thursday that it narrowed its loss in the first quarter as it nearly doubled shipments of smartphones.

Motorola Mobility posted a loss of \$81 million, or 27 cents per share, for the January to March period. That compares with a loss of \$212 million, or 72 cents per share, a year ago.

Excluding stock-based compensation and amortization of intangibles, the

loss was 8 cents per share, less than the 11 cents per share loss analysts surveyed by FactSet had expected, on average.

Revenue was \$3.03 billion, up 22 percent from a year ago, and beat analyst estimates at \$2.84 billion.

The Libertyville, Ill.-based company said mobile devices revenue totaled \$2.1 billion, up 30 percent from the year-ago quarter.

Motorola Mobility shipped 9.3 million of these products during the period, including 4.1 million smartphones and over 250,000 of its recently released Xoom [tablet computer](#). Last year, the company shipped 8.5 million [mobile devices](#) - 2.3 million of them smartphones - in the first quarter.

"I think we're making good progress on transitioning Motorola into a smartphone and a mobile computing company," CEO Sanjay Jha said in an interview.

The company would not give specifics about how many of the Xooms shipped were actually sold, but [Chief Financial Officer](#) Marc Rothman said he was "pleased" with sales of the tablet. The Xoom, which runs on the tablet-gearred version of [Google](#) Inc.'s [Android operating software](#), was released in late February.

Revenue from Motorola Mobility's home unit, which makes various consumer electronics, climbed 8 percent to \$904 million. Growth was helped by demand for cable set-top boxes.

For the current quarter, Motorola Mobility expects to break even or earn as much as 12 cents per share, excluding one-time items. Analysts are hoping for an adjusted profit of 12 cents per share.

The company said it expects [smartphone](#) and tablet sales to rise compared with the first quarter, and believes revenue will also climb.

While some tech companies are suffering from supply-issues in the wake of the Japan earthquake in March, Jha said that much of Motorola Mobility's supply chain was unaffected. The company expects no significant impact from the disaster in the current quarter, he said.

Motorola Mobility shares rose 78 cents, or 3.3 percent, to \$24.77 in extended trading. The stock had finished regular trading up 37 cents at \$23.99.

©2011 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Motorola Mobility narrows loss as phone sales rise (2011, April 29) retrieved 26 June 2024 from <https://phys.org/news/2011-04-motorola-mobility-narrows-loss-sales.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.