

Time Warner Cable profit up 18 pct in 1Q

April 26 2012

(AP) -- Time Warner Cable Inc. reported an 18 percent increase in first-quarter net income Thursday, as acquisitions and new broadband customers boosted revenue.

The New York-based company's stock fell \$2.15, or 2.6 percent, to \$80 in late morning trading, after initially spiking to \$83.64, the highest level since the split from parent company [Time Warner Inc.](#) was finalized in 2009.

The company said [net income](#) was \$382 million, or \$1.20 a share, in the January to March period, up from \$325 million, or 93 cents per share, a year earlier.

[Time Warner Cable](#) earned \$1.30 per share after adjusting for one-time items. That was 7 cents more than the average estimate of analysts surveyed by FactSet.

Revenue rose 6 percent to \$5.13 billion from \$4.83 billion. That was slightly below expectations of \$5.14 billion.

Excluding acquisitions, revenue would have risen 3 percent, chiefly because of increasing revenue from broadband. Time Warner Cable has both recruited new broadband subscribers and raised prices for existing ones.

Revenue from cable TV continued to decline, excluding acquisitions, as subscriber cancellations outweighed price increases and a shift toward

higher-priced or bigger channel packages.

Time Warner Cable added a net 592,000 cable TV customers since the end of 2011, mainly through the acquisition of Insight Communications, a [cable company](#) with customers in Indiana, Kentucky and Ohio. That deal closed in February.

But cable TV subscriptions have been declining across the industry for years, as viewers shift to satellite and phone-company [TV services](#).

©2012 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Time Warner Cable profit up 18 pct in 1Q (2012, April 26) retrieved 23 June 2024 from <https://phys.org/news/2012-04-warner-cable-profit-pct-1q.html>

<p>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.</p>
--