

Viacom 2Q profit rises 4 pct helped by TV networks (Update)

May 1 2014



This Jan. 19, 2010 file photo shows the Viacom logo above the entrance to Viacom's headquarters, in New York. Viacom reports quarterly earnings on Thursday, May 1, 2014. (AP Photo/Mark Lennihan, File)

Viacom said Thursday that its second-quarter profit rose 4 percent, boosted by strong results at its TV networks that offset a decline at its movie-making business.

Viacom President and CEO Philippe Dauman noted during a conference call with analysts that ratings rose on a year-over-year basis at many of the New York company's networks including Nickelodeon, Comedy

Central, VH1, CMT Spike and TV Land.

He added that Nickelodeon took the top spot among networks for kids age two to 11 for the second-straight quarter and posted a 4 percent increase in revenue, while two of its top competitors posted declines.

The company's total advertising revenue increased 3 percent, while domestic advertising increased 2 percent. For the current quarter, the company expects domestic advertising growth in the "middle-single digits," Dauman said.

Meanwhile, total affiliate revenue increased 10 percent.

For the quarter ended March 31, earned \$502 million, or \$1.13 per share. That was up from \$478 million, or 96 cents per share, a year earlier.

Revenue edged up 1 percent to \$3.17 billion from \$3.14 billion.

Analysts polled by FactSet expected a profit of \$1.05 per share on \$3.19 billion in revenue.

While media networks revenue rose 6 percent to \$2.38 billion, revenue at the company's filmed entertainment arm, which includes Paramount Pictures, fell 12 percent to \$831 million.

Dauman pointed to the success of the Paramount films "The Wolf of Wall Street" and "Noah" during the quarter and said that the company is optimistic about its summer releases of "Transformers: Age of Extinction," "Teenage Mutant Ninja Turtles" and "Hercules."

Dauman also addressed the upcoming departure of Comedy Central host Stephen Colbert, saying that the network "looks forward to sending him

off in style these next eight months" and is also excited about the chance to "reinvent late night television again beginning in 2015."

Colbert is slated take over for a retiring David Letterman on CBS' 'Late Show" next year.

Viacom Inc. also said Thursday that it's buying Britain's Channel 5 Broadcasting Ltd. for 450 million euros (about \$757 million), increasing its investment in U.K.-produced content.

The commercial public service broadcaster is watched by more than 80 percent of the U.K. population monthly. Viacom said it expects it to complement its pay TV networks.

Viacom Class B shares fell \$1.40, or 1.7 percent, to \$83.58 in morning trading. Its shares are down more than 3 percent so far this year.

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Citation: Viacom 2Q profit rises 4 pct helped by TV networks (Update) (2014, May 1) retrieved 30 April 2024 from <https://phys.org/news/2014-05-viacom-2q-profit-pct-tv.html>

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