

Zynga whacked as losses widen

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Cars drive by the Zynga headquarters on July 25, 2013 in San Francisco, California

Zynga said Thursday it wants to perform better, as the social games firm reported losses widened and revenues sank in the past quarter, sending its share price tumbling.

The loss for the past quarter deepened to \$62.5 million, compared with a deficit of \$15.8 million in the same period a year ago.

Revenues dropped sharply to \$153 million in the three months ending June 30, from \$230 million a year earlier.

"While our quarterly financial results were in line with our guidance range, we aspire to do better and improve execution across our business," chief executive Don Mattrick said in a statement.

"We are purposefully competing, and while we would like to be further along, we believe we are making the right decisions to grow our business and unlock long-term shareholder value."

Shares in Zynga tumbled nearly eight percent to \$2.69 in electronic trades after the news, reflecting investor disappointment.

Zynga also lowered its outlook for 2014 "primarily to reflect the delayed launch of new games and features," according to its earnings statement.

The company rose to stardom by tailoring games for Facebook, but has struggled as the two firms have grown apart and Zynga seeks new sources of revenues.

The San Francisco company announced it is launching a new line of sports games under the brand "Zynga Sports 365."

Zynga said it signed a licensing deal with the National Football League and NFL Players Inc. to use real NFL teams and athletes, "creating an authentic team manager football experience that can be enjoyed anytime, anywhere."

The company also signed a multi-year partnership with Tiger Woods for golf-themed games expected to debut on mobile devices in 2015.

And Zynga announced a deal with Warner Bros. Interactive

Entertainment to license the Looney Tunes brand for mobile games expected to be launched later this year.

"We continue to make significant investments in the highest potential areas of our future pipeline," Mattrick said.

"We are further diversifying our product portfolio in order to reach more consumers and widen our demographic across more entertainment genres."

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