

Dutch telecoms firm KPN sees 2015 net profits double

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Dutch telecoms firm KPN reports a doubling of net profit in 2015 thanks to selling some shares in Telefonica Deutschland

Dutch telecoms firm KPN on Wednesday reported a doubling of net profit in 2015 thanks to selling some shares in Telefonica Deutschland, even though overall turnover continued a year-on-year slide.

Net profit last year rose to 524 million euros (\$571 million) compared with 261 million euros for 2014, boosted mainly by shedding 5% of

Telefonica Deutschland shares in the final quarter raising 184 million euros.

But overall turnover continued to slump falling 5.4% to 7.01 billion euros, after registering a 4.6% drop to 7.41 billion euros in the previous 12 months.

A former state-owned company that was privatised in 1994, KPN employs about 25,000 people worldwide. But it is due to cut some 2,000 to 2,500 jobs before the end of 2016 in a bid to shave some 450 million euros from its overall costs.

Like other mobile and landline telephone operators, KPN faces stiff competition from free Internet call programmes such as Skype, and from growing rivalry from other companies at home.

KPN recognised it was confronted with "declining traditional services and repricing in mobile" business which had been only "partly offset by growing multi play and new services."

"We continue to operate in a challenging business market where customer needs are changing from traditional to new services," said chief executive Eelco Blok.

He insisted the company was "rationalising and standardising the business organisation to deliver an improvement in customer satisfaction, capture growth in new services and support profitability going forward."

One of the biggest falls in revenue came from the [business](#) sector which dropped some 8.9% due to restructuring and cost-cutting exercises among its major clients.

The markets did not react positively to the news with the Amsterdam-based AEX dropping in early trade some 3.0 percent to 3.34 euro.

In December, British mobile giant Vodafone said it was suing KPN for some 115 million euros, accusing it of trying to lock it out of the Dutch market.

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