

GoPro shares dive as company logs losing quarter

February 4 2016



A GoPro Hero 4 camera is displayed at the 2015 International CES at the Las Vegas Convention Center on January 6, 2015 in Las Vegas, Nevada

GoPro shares dove on Wednesday after the mini-camera maker reported quarterly earnings that were worse than the market's dismal expectations.

GoPro said that it lost about \$34.5 million during the holiday season

quarter that ended last year, as revenue sank some 31 percent to \$436.6 million when compared to the same three-month period in 2014.

Wall Street had been braced for GoPro to essentially break-even but did not expect GoPro to post a loss for the year-ending shopping season.

"In 2015, we recorded 16 percent year-over-year revenue growth and the fourth quarter represented the second highest revenue quarter in the company's history," said GoPro Founder and chief executive Nicholas Woodman.

"However, growth slowed in the second half of the year and we recognize the need to develop software solutions that make it easier for our customers to offload, access and edit their GoPro content."

GoPro revenue for the year tallied \$1.6 billion, an increase of more than 16 percent from 2014, but profit was down 71.8 percent to \$36.13 million.

Shares plunged in after-market trades that followed release of the earnings report, but regained some ground to be down about 10 percent to \$9.62 shortly after 2400 GMT.



Nick Woodman, founder and CEO of GoPro celebrates during the company's initial public offering (IPO) at the Nasdaq Stock Exchange on June 26, 2014 in New York City

GoPro forecast that its revenue in the current quarter would be from \$160 million to \$180 million.

The Silicon Valley-based company last month announced it would cut seven percent of its workforce and that [revenue](#) last year was less than expected, causing shares to sink.

The job cuts represent hundreds of positions, with the stated intent being to "better align resources to key growth initiatives."

GoPro said that its ranks of employees had been growing by more than 50 percent annually and tallied more than 1,500 as of the end of 2015.

GoPro was an early hit with extreme sports enthusiasts who used the mini-cameras to film their exploits and went on to win over teens and young adults interested in sharing videos on YouTube or social networks.

GoPro went public in June of 2014 with shares initially priced at \$24 and soared in subsequent months, more than tripling in value at one point.

But investors began to worry about the company's growth prospects and the possible saturation of an increasingly competitive market.

GoPro shares began sliding last year, much of their value since August.

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Citation: GoPro shares dive as company logs losing quarter (2016, February 4) retrieved 8 May 2024 from <https://phys.org/news/2016-02-gopro-company-quarter.html>

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