

Sprint posts rare profit, says a deal may be coming soon

August 1 2017



In this Friday, Oct. 28, 2016, file photo, a person walks by a Sprint store in Miami. On Tuesday, Aug. 1, 2017, Sprint Corp. reported fiscal first-quarter net income of \$206 million, after reporting a loss in the same period a year earlier. The Overland Park, Kan.-based company said it had profit of 5 cents per share. The results beat Wall Street expectations. (AP Photo/Alan Diaz, File)

Sprint said Tuesday that it should be able to "strike a deal" in the "near future," driving up shares of the fourth-largest U.S. wireless carrier.

The Overland Park, Kansas, company also posted its first [quarterly profit](#) in three years as it cut costs.

Debt-heavy Sprint has been trying to turn its business around, and CEO Marcelo Claure said on a call with analysts Tuesday that it could "sustain itself" alone. But he said that the cost savings and potential benefits of hooking up with another [phone company](#) or a cable company would leave Sprint in a better position. Claure said that "we think in the near future, we should be able to strike a deal with one of the different players."

Earlier this week, [cable company](#) Charter said it was not interested in buying Sprint after published reports said Sprint had proposed an acquisition by Charter. Claure said he was "a bit surprised" to see that announcement and that Charter talks were part of a "bigger play." The company is having discussions with other companies, he said. A deal with rival T-Mobile has long been predicted.

Sprint has long sought a deal as it is unprofitable and the wireless market has gotten more competitive. Most Americans already have a cellphone, and carriers have been trying to lure them with discounts and the return this year of unlimited-data plans. Sprint has offered some big promotions recently, like a year of free service.

In its latest quarter, Sprint added 88,000 customers that pay a monthly bill, its most lucrative customers, versus 173,000 the year before. It gained prepaid customers compared with a loss the year before.

Overall, the [company](#) reported fiscal first-quarter net income of \$206 million, or 5 cents per [share](#). In the same period a year ago, it reported a net loss of \$302 million, or 8 cents per share.

The results beat Wall Street expectations for a loss of 1 cent per share,

according to Zacks Investment Research.

Revenue rose about 2 percent to \$8.16 billion, missing the \$8.19 billion analysts expected, according to Zacks.

Shares of Sprint Corp. rose 82 cents, or 10 percent, to \$8.80 in late morning trading.

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