

Netflix adds 5 mn subscribers, doubles profit

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Netflix said Monday it added some five million new subscribers over the past three months as profits doubled, in a quarterly update that sent shares of the streaming video giant higher.

California-based Netflix ended the third quarter with more than 104 million paid subscribers, with international memberships hitting 52.7 million and overtaking the number of US subscribers.

Net profits meanwhile jumped to \$129 million, more than double the figure from the same period a year ago for the video giant known for "House of Cards," "The Crown" and other original shows that are part of its library.

Revenues in the quarter rose 30 percent from a year ago to \$2.98 billion, Netflix said.

"We are growing nicely across the world and are on track to exceed \$11 billion in revenue in 2017," a letter to shareholders said.

"Internet entertainment is delighting consumers, and we are staying at the forefront of this once-in-a-generation opportunity."

Netflix has been aggressively expanding around the world, and is now present in some 190 markets, making it the leading service for streaming or on-demand television.

Shares in the company jumped 1.7 percent in after-hours trade on the

stronger-than-expected results.

Earlier this month Netflix said it was increasing prices for customers in the US and parts of Europe to help fuel investments in original shows and boost expansion.

"We spend disproportionately in the US to generate media and influencer awareness for our programming which we believe, in turn, is an effective way to facilitate word of mouth globally," Netflix's letter said.

"In our international segment, we are on track to generate positive contribution profit for the full year. As we move into 2018, we aim to achieve steady improvement in international profitability and a growing operating margin as our success in many large markets helps fund investments throughout Asia and the rest of the world."

Netflix said it remains aware of the competition in the segment and noted that new streaming options are available or in the works from CBS, Disney and others.

"Since 2013, we've taken the long term view that we're in the early stages of the worldwide, multi-decade transition from linear TV to internet entertainment," the statement said.

"We have a good head start but our job is to improve Netflix as rapidly as possible to please our members by earning their viewing time and to stay ahead of the competition in the decades to come."

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