

BT shares tumble on sliding sales

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BT shares tumble on disappointing first-quarter results

Shares in British telecoms and television broadcasting company BT slumped Friday to a five-year low on news of shrinking quarterly revenue.

Sales fell three percent to £5.97 billion (\$8.50 billion, 6.82 billion euros)

in the third quarter of the group's financial year—or the three months to December—compared with the same portion of 2016, BT said in a statement.

The disappointing sales came despite the group's costly push into broadcasting live Premier League football matches in recent years.

In reaction, the group's share price sank 5.1 percent to 243 pence in early afternoon London deals, also weighed down by worries over higher pension costs.

That made the stock the biggest decliner on the falling FTSE 100 index of major blue-chip firms.

However, BT's bottom-line net [profit](#) rallied 34 percent to £501 million in the reporting period. And pre-tax profit jumped by a quarter to £660 million.

The previous year, BT's performance had been hit by fallout from an accounting scandal at its Italian division.

"It's been a torrid time for shareholders in BT over the last couple of years and those hoping for light at the end of the tunnel will be further disappointed today," said XTB analyst David Cheetham.

"A three-percent fall in revenue for the quarter is arguably the most worrying aspect of the latest trading update and despite an impressive increase in profit before tax," the expert said.

Nevertheless, chief executive Gavin Patterson expressed optimism over the outlook.

"Our third quarter financial results are broadly in line with our

expectations and we remain confident in our outlook for the full year," Patterson said.

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