

# Comcast profit slips due to fewer box-office hits

July 27 2016, by Tali Arbel

---



In this July 23, 2015, file photo, a man walks past the Comcast Building in New York. Comcast reports financial results Wednesday, July 27, 2016. (AP Photo/Mary Altaffer, File)

Comcast's second-quarter profit slipped because of fewer movie hits from its NBCUniversal film-and-TV arm, but it posted big gains in internet customers and its smallest video losses for a second quarter in at least a decade.

While the number of traditional TV customers overall have been slipping—down about 2 million customers over the past three years, according to research firm SNL Kagan—big cable companies Comcast and Charter have been seeing improving trends, winning customers from competitors like Dish and AT&T U-verse.

Philadelphia-based Comcast said it lost 4,000 cable customers and added 220,000 internet customers. It credits its customer-service improvements and its X1 cable system with helping retain subscribers. X1, which has a better user interface and can integrate internet video, is being rolled out and is now in 40 percent of Comcast's cable households, the company says.

On the NBCUniversal side, the movies division had a difficult comparison with last year, when "Furious 7" and "Jurassic World" gave a big boost to box-office revenue. Revenue rose at both the cable-networks arm, which includes channels like Bravo, E!, USA Network, CNBC and MSNBC, and the NBC broadcast unit.

The company also suggested that cable subscribers may see differences coming to their lineups.

"I think you'll see us and others continue to trim some of the more marginal channels. There's just too many channels," said NBCUniversal CEO Steve Burke on a conference call.

For the April-June quarter, Comcast Corp. earned \$2.03 billion, or 83 cents per share, versus \$2.14 billion, or 84 cents per share, a year ago.

That's a penny better than what analysts surveyed by Zacks Investment Research had forecast.

Revenue increased to \$19.27 billion from \$18.74 billion. Analysts

anticipated \$19.04 billion in revenue.

Comcast Class A shares rose 83 cents, or 1.2 percent, to \$68.01 in midday trading. Its shares are up more than 11 percent over the past year.

© 2016 The Associated Press. All rights reserved.

Citation: Comcast profit slips due to fewer box-office hits (2016, July 27) retrieved 25 April 2024 from <https://phys.org/news/2016-07-comcast-street-2q-revenue.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.