

VIACOM RELEASES INCOME DATA



Viacom Inc. stated on November 15 that their net income rose 13 percent in the third quarter while revenue even though Wall Street believed revenue would drop due to few promising film releases and a dip in TV ad wages. Viacom possesses the film studios of Paramount in addition to multiple channels on cable television, according to the Associated Press. The net income for the third quarter checked in at \$650 million or in stock terms, \$1.26 a share. This is a considerable jump when taking into account that in the third quarter of 2011, their numbers came in at \$576 million and \$1 a share. Fact Set surveyed experts who believed their shares would post a \$1.17 per share mark. Their fiscal final quarter revenue decreased 17 percent to \$3.36 billion from \$4.05 billion. Experts thought they would sit at \$3.41 billion. Viacom shed spending by 26 percent from \$3.12 billion down to \$2.31 billion. Viacom's television channels include MTV, Comedy Central, BET and Nickelodeon. Their revenue stream pretty much stayed the same at \$2.29 billion, but operation income did dip a bit at 3 percent to \$933 million. Most companies, including Viacom, lost out on quite a bit of TV ad revenue thanks to the London Olympics which drew big audiences on NBC and their sister stations. While Viacom received increase in premiums from cable and satellite companies to access their channels that was offset by dips in ad revenue. In the US, it dropped 6 percent and 7 percent around the globe. DirecTV blacked out their channels for ten days because of money issues offset the BET awards shifting to the third quarter. CEO Philippe Dauman told the media that Nickelodeon is holding steady with fresh "SpongeBob SquarePants" episodes and reworked activation of "Teenage Mutant Ninja Turtles". Dauman believes that reports do not fully account for their audience, claiming that online audience is not taken into consideration. Viacom claims better performance in the fourth quarter, but it may not equal last year's mark. Paramount Pictures revenue dropped 39 percent to \$1.09 billion in the fiscal final quarter because it had no marquee picture. However, operating income ballooned 5 percent to \$195 million. Eight films are on the way for the holiday season COO Thomas E. Dooley, however, is expecting a bigger drop than the \$31 million that came in the final quarter in 2011. When those eight flicks are ready for DVD and Blu Ray, they should reap the benefits. For the fiscal year, earnings lowered 7 percent to \$1.98 billion and \$3.69 per share. Twelve months ago, their figures checked in at \$2.14 billion and \$3.59 a share. Revenue stream decreased to \$13.9 billion, a 7 percent drop.