

# Orange says it has staunched sales drop

PARIS, FRANCE: French telecommunications operator Orange, with 239m customers across several countries, said it had slowed a fall of sales in the first quarter and increased its operating margins.



Orange's Gervais Pellissier says that the company has managed to staunch if falling sales amid tough competition. Image: Orange

Orange, in common with many former fixed-line monopolies, has been hard hit by competition from mobile phones, but it said that although sales had fallen across all of its markets it had contained this to 4.6 % in the first quarter.

Sales in the home market in France fell by 5.1% to €4.8bn, pulled down by intense competition as leading service providers fight for alliances and market share.

Orange increase slightly the number of its mobile phone customers in France to 27m but mobile sales figures fell by 9.7%.

However, the total number of clients in its international markets rose by 10m on a 12-month comparison in the quarter to 239m.

Finance Director Gervais Pellissier said that since 2009 the group's underlying profit margins had been under great pressure, but in the first quarter the group had stabilised this measure of performance.

"The operating margin had risen by 0.4 percentage points to 30.8%," he said, adding that the group had cut costs by €267m.

Orange said that for 2014 it stood by its target for comparable earnings before interest, tax, depreciation and amortisation of between €12.0 bn and €12.5bn

Source: AFP via I-Net Bridge

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