

Sprint Posts Record 4Q Revenue, \$1.3 Billion Loss

Andrew Berg

While fourth-quarter 2012 Sprint platform wireless service revenue was up 12 percent to a record \$7 billion, the Kansas City-based carrier still swung to a quarterly loss of \$1.3 billion.

The company said the loss was primarily due to network improvements related to its Network Vision initiative, including the shutdown of the Nextel platform. The company also noted \$45 million or negative \$.01 per share (pre-tax) related to impacts from Hurricane Sandy.

During an earnings call Thursday morning, Steve Elfman, president of network operations and wholesale described the shutdown of the Nextel platform as a monkey off the carrier's back, saying it was an "important turning point" that would enable the company to remove incremental expense and operating costs of running two separate networks.

Sprint plans to refarm the 800 MHz spectrum from the Nextel network to CDMA voice and LTE, which the company hopes will enhance in-building coverage.

Sprint net postpaid additions were up 18 percent annually, the highest since 2007. Annual smartphone sales were 20 million, and the company said it sold 6.6 million iPhones during the year, 40 percent of which were new customers. For the quarter, iPhone sales hit a best-ever 2.2 million, 38 percent of which were new customers.

For some perspective, those 2.2 million iPhone sold during the quarter compare to Verizon's 6.2 million and AT&T's 8.6 million. Still Sprint's sale of iOS smartphones were up from 1.5 million in the previous quarter.

Sprint announced its fourth quarter 2012 earnings, as it aggressively pursues its LTE rollout in an attempt to remain competitive with rivals AT&T and Verizon Wireless, both of which are well-along on their 4G rollouts.

As part of its Network Vision initiative, Sprint said on air sites have nearly doubled in last 90 days, with LTE live in 58 cities total and nearly 170 more expected in the coming months. Sprint said construction has started in more than 450 cities, with more than 19,500 sites now ready for construction.

Investors looking for more information on the impending \$20.1 billion acquisition of Sprint by Japanese carrier Softbank were left hanging. Sprint also refrained from

Sprint Posts Record 4Q Revenue, \$1.3 Billion Loss

Published on Wireless Week (<http://www.wirelessweek.com>)

diving too deep into the details of Sprint's bid to purchase the remaining share of Clearwire that it doesn't own for \$2.97 per share.

Sprint did say that it expects the process to be completed in the second quarter.

Shares of Sprint were down a percent in early trading Thursday to \$5.71.

Source URL (retrieved on 06/12/2013 - 2:51pm):

<http://www.wirelessweek.com/news/2013/02/sprint-posts-record-4q-revenue-13-billion-loss>