

Alcatel-Lucent trims loss, aims for positive cash flow

PARIS, FRANCE - Alcatel-Lucent, a leading global supplier of telecommunications equipment, says it aims to return to a positive cash flow next year after reporting a lower first quarter loss.



Alcatel-Lucent expects to get back to a positive cash flow next year after recording another loss in the first quarter of this year. Image: Idea go free
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Alcatel-Lucent, which is putting more emphasis on Internet equipment as it struggles to return to profitability, has recently been rumoured to be of interest to Nokia as the Finnish telecommunication equipment manufacturer is flush with cash after selling its handset unit to Microsoft.

In the first three months of the year Alcatel-Lucent posted a net loss of €73m compared with a €353m in the same quarter last year.

"The improvement of 280m compared with the first quarter of 2013 was driven by the higher level of operating income, lower restructuring charges and a significant reduction in net financial losses," the French-US company said in a statement.

Alcatel-Lucent's adjusted operating result switched into the black with a profit of €33m, or 1.1% of revenue, compared with a loss of €179m last year.

The company said the turnaround was driven by a significant improvement in profitability in its core networking division while losses were cut in its mobile access division.

"These results show that we are continuing our path towards profitability," the company's Chief Financial Officer Jean Raby said in a telephone conference with journalists.

Source: AFP via I-Net Bridge

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