

BBC Worldwide's profit up 36.5% to £145.2 million

BBC Worldwide Ltd, the commercial and wholly owned subsidiary of the British Broadcasting Corporation (BBC), yesterday 5 July 2010, published its annual review for 2009/10. The company saw sales* rise by 7% to £1074 million (about R12.512 billion) in the 12 months to 31 March 2010, exceeding the £1 billion (about R11.65 billion) mark for a second year. Six of BBC Worldwide's seven operating divisions grew sales, despite tough trading conditions in many markets. Operating profits* increased 36.5% to £145.2 million (about R1.692 billion), with double-digit profit growth in five divisions. £151.1 million (about R1.760 billion) has been reinvested back into the BBC to support the licence fee.



BBC Worldwide also delivered increased dividend payments to the BBC of £73.6 million (about R857 million) (2008/09: £68.4 million (about R797 million). This helped lift the overall cash return to the BBC to more than £150 million (about R1.747 billion) for the second year running.

Announcing the results, John Smith, chief executive of BBC Worldwide, said the full year figures reflected a very strong performance in spite of difficult conditions in many markets.

"Today's figures, with profits up by 36.5%, demonstrate that our strategy is working. As well as developing into a diversified global media business and extending the international visibility of the BBC brand, the company is delivering a strong financial performance. BBC Worldwide continues to give consumers around the world more and more content from the BBC and other British production companies. This allows us to re-invest in more great content and return more cash to our parent organisation, the BBC," said Smith.

BBC Worldwide continued to make good progress in its strategic objectives:

- Sales generated overseas rose from 51.3% to 54.6% of the total (target- two thirds by 2012, from 46% in 2006);
- Sales from digital businesses on a like for like basis rose from 4.6% to 5.5% (target - 10% by 2012, from 1% in 2006);
- The rollout of BBC-branded channels continued and sales and profits from Channels rose by 16.4% and 34.2% respectively year on year;
- A strong overseas format business has helped sales from Content & Production grow by 10.7% and profits by 4.8%.

Further highlights:

- The top five programme brands around the world were *Top Gear*, *Life*, *Planet Earth*, *Being Erica* and *Doctor Who*;
- The launch episode of the most recent series of *Doctor Who* attracted 1.2 million viewers for BBC America post year end - its biggest-ever audience;
- *Dancing with the Stars* entered the *Guinness Book of World Records* as the most successful reality television format;
- The Robbie Williams Electric Proms concert was broadcast to over 250 cinemas across 23 countries, setting a new Guinness World Record for the most simultaneous cinematic screenings of a live concert;
- Lonely Planet's digital business grew strongly, up 37.2% producing 22.1% of its total revenue;
- BBC.com has seen a significant 41.7% growth in revenues year on year and has 54.2 million unique users.

John Smith added: "BBC Worldwide once again demonstrated the depth of its businesses and its financial strength in a difficult year for the industry by lifting revenues beyond a billion pounds for a second year while also continuing to deliver around 10% of the UK's total creative economy exports."

Robert Webb, chairman of BBC Worldwide, said: "Our underlying aim is to give the best possible return to licence fee payers to deliver a real benefit to the UK's creative economy. To that end, we have invested more than £1bn through payments to the BBC, independent production companies, writers and actors since 2004/05. We hope, as the next year develops, to continue to be of value to the UK, to the BBC and to all who enjoy what we do."

Mark Thompson, director-general of the BBC, commented: "BBC Worldwide continues to contribute significantly to the BBC through its overall returns and dividend and what is clear from this outstanding year of success is that the global appetite for outstanding British content is greater than ever before."

** Sales include Group revenue and the Group's share of joint-ventures' revenue, and profit refers to operating profit before specific items.*

For more, visit: <https://www.bizcommunity.com>