

Rostelecom Sees 3 Percent Decline in Second Quarter Profit

By [The Moscow Times](#)

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Rostelecom reported a fall in second-quarter profit, partly due to the costs of launching third-generation mobile networks and an increased provision for bad debts, but the figures beat analysts' expectations.

Net profit at Rostelecom, the country's fifth-largest mobile operator, was 7.3 billion rubles (\$221 million), which it said was a 3 percent fall from the previous year. It beat analysts' forecast of 6.3 billion rubles.

Revenues rose 1 percent to 77 billion rubles.

Its OIBDA margin — operating income before depreciation and amortization — was 37.4 percent, lower than the 39.9 percent a year ago and below the margins reported by its peers MTS, MegaFon and VimpelCom.

Rostelecom says it forecasts an OIBDA margin for the year of 36 to 39 percent.

(Reuters)

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