



# Pearson first quarter sales fall on U.S. contract losses

**Reuters, in Mail Online, London, 29 April 2016**

Pearson, the British education company struggling to cope with a downturn in its biggest markets, reported a 4 percent fall in first-quarter underlying sales, hit by the loss of high-profile testing contracts in the United States.

Pearson, which sold the Financial Times and its stake in the Economist last year to concentrate on education, said the loss of contracts from states including New York and Texas would be felt in the firm's first-half numbers.

The company, which announced another major restructuring earlier this year, said it was however trading in line with the full-year expectations set out in February and was progressing well with its plan to cut jobs and costs.

## **Job loss bloodbath**

Of the 4,000 employees set to lose their jobs, almost half have been notified.

"Pearson has had a solid start to the year, in line with our expectations," Chief Executive John Fallon said.

"We are making good progress on our simplification plan and in our work to have a bigger impact on student learning, which will in turn support our future growth."

The group, which said it had seen growth in K12 and higher education courseware, said it expected to report a modest adjusted operating profit before restructuring charges at its interim results.

Analysts had said the first quarter was a relatively quiet period for Pearson which did not always reflect the likely outcome of the full-year results.

(Reporting by Kate Holton, editing by James Davey)

From: <http://www.dailymail.co.uk/wires/reuters/article-3565118/Pearson-quarter-sales-fall-U-S-contract-losses.html>