Microsoft Reports First Loss in History

As expected, Microsoft [1] reported a quarterly loss for the first time in its 26 years on the market on Thursday afternoon. The tech giant had warned previously [2] that it would be taking a $6.19 billion write-down its 2007 acquisition of aQuantive, which Microsoft once hoped would help it break into the display market that continues to be dominated by Google.

Total losses for the quarter amounted to $492 million, or $0.06 per share — a far cry from the $5.9 billion in net income, or $0.69 per share, the company reported for the same period a year ago.

Still, it wasn't all bad: Revenue increased 4% year-over-year to $18.06 billion. That figure might have been higher, if declining PC sales weren't damaging sales of Microsoft's Windows operating system. The Windows & Windows Live Division reported a 13% decline in revenue for the fourth quarter and 3% for the full year. The Entertainment and Devices Division saw the biggest growth: Revenue there grew 20% for the fourth quarter and 8% for the full year.

In the earning release, Microsoft CEO Steve Ballmer reminded investors that there was much to look forward for the rest of the year, including the high-profile lalunches of Office 15 [3] and Windows Phone 8 [4].

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