# CSC shares tumble after company cuts forecasts

The Associated Press

Shares of Computer Sciences Corp. tumbled more than 13 percent in morning trading Wednesday as the company cut its earnings-per-share and revenue forecasts for the full fiscal year.

The Falls Church, Va., information technology services provider reduced its full-year earnings-per-share forecast to $5.20 and its revenue forecast to $16.2 billion. Last quarter the CSC predicted full-year earnings of $5.35 to $5.45 per share on revenue of $16.5 billion to $17 billion.

The forecast fell below analysts' expectations, and CSC shares dropped $7.37 to $49.17. For the full year, analysts polled by FactSet had expected earnings of $5.37 per share on revenue of $16.54 billion.

Chairman and CEO Michael Laphen attributed the decrease to "the sluggish pace of new business awards" in its North American public sector, but said the company remains confident that its businesses will grow in line with longer-term projections.

The company also said Wednesday its fiscal third-quarter net income rose 14.7 percent on increased revenue from all of its business sectors.

For the three months ended Dec. 31, CSC said it made $242 million, or $1.54 per share, up from $211 million, or $1.36 per share, in the same period a year earlier.

Revenue was just over $4 billion for the quarter, up 1.4 percent from $3.95 billion in the year-ago quarter.

Analysts, on average, expected earnings for the quarter of $1.46 per share on revenue of $4.14 billion.

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