

EMC profit nearly doubles as tech spending rises

April 21 2010

(AP) -- Data-storage company EMC Corp. reported a 92 percent jump in net income Wednesday and raised its full-year forecast, with technology spending rebounding.

The company said it earned \$373 million, 17 cents per share, for the first quarter. That compares with \$194 million, 10 cents per share, in the same period of 2009.

Excluding one-time items such as restructuring and acquisition-related costs, EMC would have earned 26 cents per share. On that basis, [earnings](#) topped the average forecast of 24 cents, according to Thomson Reuters.

Revenue climbed 23 percent to \$3.9 billion, beating the forecast of \$3.7 billion.

The company's stock climbed 49 cents, or 2.5 percent, to \$19.90 ahead of regular trading.

The sharp increase in revenue at EMC, following optimistic reports from tech bellwethers IBM Corp. and [Intel](#) Corp., should add to the evidence that technology spending by businesses is growing again after the [recession](#) forced many companies to put off updating older equipment and software.

In a statement, EMC [Chief Financial Officer](#) David Goulden said

corporate customers are showing "increased confidence" and moving beyond just cost-cutting initiatives.

The company now expects 2010 earnings of \$1.18 per share, excluding items, on revenue of \$16.5 billion. Analysts were looking for \$1.14 per share and revenue of \$16 billion.

©2010 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: EMC profit nearly doubles as tech spending rises (2010, April 21) retrieved 8 February 2023 from <https://phys.org/news/2010-04-emc-profit-tech.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.