

Adobe posts higher 2Q profit as revenue soars

June 22 2010, By BARBARA ORTUTAY , AP Technology Writer

(AP) -- Software maker Adobe Systems Inc. posted higher net income for its most recent quarter, driven by strong demand for the software package it sells to professional designers and developers.

Adobe earned \$148.6 million, or 28 cents per share, in the fiscal second quarter, which ended June 4. This is up 18 percent from \$126.1 million, or 24 cents per share, in the same period a year earlier.

Adjusted earnings were 44 cents per share. On that basis, analysts surveyed by Thomson Reuters had expected a profit of 42 cents per share.

The company's ongoing spat with Apple Inc. over Adobe's Flash technology, used for Web videos and other content, did not seem to soften demand for the latest version of its flagship Creative Suite [software package](#). Apple bans Flash from the [iPad](#), the [iPhone](#) and the iPod Touch.

Adobe's revenue grew 34 percent to \$943 million from \$704.7 million, largely driven by strong demand for Creative Suite 5, which launched during the quarter, in April. This handily surpassed Wall Street's expectations of \$905.9 million.

"Our growth is being fueled by the explosion of digital content across all media and devices," President and CEO Shantanu Narayen said in a statement.

For the current quarter, Adobe forecast adjusted earnings of 46 cents to 50 cents per share on revenue of \$950 million to \$1 billion. Analysts have been expecting a profit of 48 cents per share, excluding items, on revenue of \$958.7 million.

Adobe also said it plans to buy back up to \$1.6 billion of its shares by November 2012.

Shares of San Jose, Calif.-based Adobe fell 71 cents, or 2.3 percent, to \$32 in after-hours trading. The stock had closed down 37 cents at \$32.76.

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 This material may not be published, broadcast, rewritten or redistributed.

Citation: Adobe posts higher 2Q profit as revenue soars (2010, June 22) retrieved 20 March 2024 from <https://phys.org/news/2010-06-adobe-higher-2q-profit-revenue.html>

<p>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.</p>
--