

## EMC's 2Q net more than doubles as firms stock up

July 21 2010, By JORDAN ROBERTSON , AP Technology Writer

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(AP) -- EMC Corp.'s net income more than doubled in the second quarter as corporations opened the spigot on spending for more data storage.

But economic worries because of the European debt crisis and fears of a possible "double-dip" recession in the U.S. have eclipsed encouraging signs from the technology sector. Some investors fear a spike in computer spending may just be a relief valve for pent-up demand that won't stay open long.

Other technology heavyweights such as IBM Corp., [Intel Corp.](#) and [Texas Instruments Inc.](#) have reported higher second-quarter profits but have failed to impress investors.

EMC has now posted three straight quarters of net income increases and said Wednesday before the market opened that it expects to top its earlier guidance for 2010, though it didn't provide more specifics.

EMC is the world's No. 1 maker of [data-storage](#) computers.

In the second quarter, EMC earned \$426.2 million, or 20 cents per share, up from \$205.2 million, or 10 cents per share, in the year-ago quarter. Excluding items, EMC earned 28 cents per share, a penny per share better than analysts expected.

Revenue jumped 24 percent to \$4.02 billion, topping the \$3.98 billion

analysts polled by Thomson Reuters expected.

For all of 2010, the company now says it expects to exceed its previous outlook of [net income](#) of \$1.18 per share, excluding items, and revenue of \$16.5 billion. It didn't provide more detail.

EMC ended the quarter with \$10.3 billion in cash and investments. Cost-cutting has helped EMC. The company, based in Hopkinton, Mass., has cut about 2,400 jobs as part of a restructuring announced last year to reduce costs by about \$500 million in 2010.

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