

Infineon swings into profit, pays first dividend since 2001

November 16 2010

German chip maker Infineon Tuesday posted a healthy profit for its fiscal year 2010 and rewarded its shareholders by paying out its first dividend for nine years.

Profits for the fiscal year to September 2010 were 659 million euros (895 million dollars), the technology giant said, compared to a loss of 626 million euros the year before.

For the [fourth quarter](#), the firm smashed market expectations with profits of 390 million euros. Analysts surveyed by Dow Jones Newswires had forecast a profit of 213 million euros.

Annual sales hit 3.3 billion euros, up by more than 50 percent over the year. Fourth-quarter sales were 942 million euros.

"The company's growth during this upcycle remains significantly ahead of the market and our profitability has risen yet again," said Peter Bauer, Infineon's chief executive, in a statement.

Shareholders received a dividend of 0.10 euros per share due to the firm's "favourable operating performance" and "comfortable cash position", the statement added.

[Infineon](#) said it expected sales growth of "close to 10 percent" in 2011, depending on exchange rate developments.

It said the first quarter of the new [fiscal year](#) would be "flat to down slightly" compared to the fourth quarter of 2010.

Investors welcomed the result, pushing Infineon stock to the top of the gainers on Germany's DAX [stock market](#). At 0830 GMT, the stock was up 1.13 percent while the wider market was down 0.63 percent.

(c) 2010 AFP

Citation: Infineon swings into profit, pays first dividend since 2001 (2010, November 16)
retrieved 26 May 2024 from <https://phys.org/news/2010-11-infineon-profit-dividend.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.