

# Research in Motion profit jumps 45 percent

December 16 2010, By ROB GILLIES , Associated Press

---

(AP) -- Research in Motion Ltd., the maker of the BlackBerry, on Thursday said its third-quarter earnings jumped 45 percent as sales keep surging overseas despite tough competition in the smart-phone market.

The results beat analyst expectations, and the company provided a forecast for the current quarter that also exceeded Wall Street expectations.

RIM said it shipped 14.2 million BlackBerrys in the quarter, narrowly beating Apple Inc.'s iPhone sales in its latest quarter, which ended in October. Most of RIM's growth is now coming from markets outside the U.S., Canada and Britain, where the BlackBerry is already the business phone of choice.

The Waterloo, Ontario-based company said its net income was \$911 million, or \$1.74 per share, in the fiscal third quarter, which ended Nov. 27. That was up from \$628 million, or \$1.10 per share, a year earlier.

Analysts surveyed by Thomson Reuters expected earnings of \$1.65 per share, on average.

Revenue rose 40 percent to \$5.49 billion, better than the \$5.4 billion expected by analysts.

For the quarter ending in February, the company projected earnings of \$1.74 to \$1.80 per share on revenue of \$5.5 billion to \$5.7 billion.

Analysts were looking for \$1.61 per share and revenue of \$5.46 billion.

Shares climbed \$2.35, 4 percent, or to \$61.60 in afterhours trading on the New York Stock Exchange.

BGC Financial analyst Colin Gillis called the results "definitely solid" but said there's nothing that alleviates his concern that RIM will lose market share to Apple's iPhone and phones running [Google](#) Inc.'s Android software in 2011.

"Every one knew there was a strong quarter coming out of the company and they delivered," Gillis said.

Aurion Capital Management analyst Greg Taylor said RIM continues to do well overseas, but said analysts who are negative about RIM's prospects are unlikely to change their mind.

"There's still this negative sentiment in the U.S. on how you are going to respond if Verizon gets the [iPhone](#)," Taylor said. While the company is doing well internationally, there's concern that it will start to lose out to Apple and [Android](#) there as well, he said.

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 This material may not be published, broadcast, rewritten or redistributed.

Citation: Research in Motion profit jumps 45 percent (2010, December 16) retrieved 26 April 2024 from <https://phys.org/news/2010-12-motion-profit-percent.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.