

SAP disappoints with quarterly profit of 403 mln euros

April 28 2011

German software giant SAP said on Thursday that it made a net profit of 403 million euros (\$600 million) in the first quarter, a four-percent gain which fell short of expectations.

Analysts polled by Dow Jones Newswires had forecast a net profit of 515 million euros, and shares in the company plunged by more than six percent in midday Frankfurt trading.

SAP's US rival Oracle has posted strong results, meanwhile.

SAP nonetheless confirmed its full-year sales forecast as revenue from software and related services climbed by 20 percent to 2.33 billion euros, owing to the consolidation of the US firm Sybase that SAP bought last year.

SAP, which makes professional software, has rebounded from a slump seen during the global economic downturn, and co-chief executive Bill McDermott was quoted in a statement as saying: "Our strong momentum continued in the first quarter."

The group expects sales of software and related services to gain 10-14 percent this year from the 2010 figure of 9.87 billion euros.

But its shares plummeted in Frankfurt, shedding 6.30 percent to 42.8 euros while the DAX index on which they are listed was 0.33 percent stronger overall.

The company's quarterly results were "short of expectations in every respect," Dow Jones quotes Cheuvreux analyst Bernd Laux as saying.

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Citation: SAP disappoints with quarterly profit of 403 mln euros (2011, April 28) retrieved 23 April 2024 from <https://phys.org/news/2011-04-sap-disappointing-q1-profit-million.html>

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