

Wipro profits up 18 pct on strong demand

January 18 2013, by Erika Kinetz

Wipro reported an 18 percent rise in December quarter profits Friday, beating expectations as global cost-cutting drives global businesses to Indian outsourcing companies.

India's third-largest [outsourcer](#) said it earned 17.2 billion rupees (\$313 million) in the October to December quarter on revenue of 110.3 billion rupees (\$2.0 billion), a rise of 10 percent from a year ago.

Analysts polled by FactSet had forecast net profit of \$301 million on revenue of \$2.0 billion.

Wipro's rivals [Tata Consultancy Services](#) and Infosys also reported strong earnings this quarter, fueling hopes of revival in technology spending, despite global uncertainties.

"While the overall mood on economic growth continues to be muted, global corporations continue to leverage technology to drive revenues and productivity," chairman Azim Premji said in a statement.

Europe was a bright spot for Wipro, with growth from the region up 7.5 percent from the prior quarter, while business from the Americas slid 0.7 percent.

Wipro said revenue from its core [information technology services](#) business grew 4.8 percent from a year ago, to \$1.58 billion. The company predicted those revenues would rise a further zero to 3 percent this quarter, over the December quarter, weighed on by political

uncertainty over the U.S. [debt ceiling](#).

Executives said volumes slid in the December quarter from the prior quarter, but pricing increased over 3 percent.

The stock was down nearly 4 percent in early trading in Mumbai, reversing gains made earlier this week.

Copyright 2013 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.

Citation: Wipro profits up 18 pct on strong demand (2013, January 18) retrieved 21 June 2024 from <https://phys.org/news/2013-01-wipro-profits-pct-strong-demand.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.