

Texas Instruments 3Q profit drops, outlook weak

October 21 2013

Chipmaker Texas Instruments Inc. said Monday that its net income fell 20 percent in the third quarter. Its outlook for the current period was worse than analysts expected, and shares slipped.

TI expects earnings per [share](#) of 42 cents to 50 cents in the last three months of the year, below the 51 cents that [analysts](#) polled by FactSet predicted. It expects revenue of \$2.86 billion to \$3.1 billion, also below the \$3.11 billion analysts forecast.

Shares dipped \$1.19, or 2.9 percent, to \$39 in after-hours trading Monday. The stock is up 33 percent this year, closing Monday at \$40.99.

For the three months to Sept. 30, [net income](#) came to \$629 million, or 56 cents per share, from \$784 million, or 67 cents per share, in the same period a year ago. That beat analysts' estimate of 53 cents per share.

Revenue fell 4 percent to \$3.24 billion. Analysts expected a deeper drop, to \$3.23 billion.

TI's revenue is being hurt by declines in its legacy wireless business, which shrank to less than 2 percent of [revenue](#) in the third quarter.

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