

Lenovo profit up 36 percent as mobile grows

November 7 2013, by Joe McDonald

Lenovo Group, the biggest personal computer maker, said Thursday its latest quarterly profit rose 36 percent as sales of smartphones and tablet computers more than doubled.

Lenovo earned \$220 million, or \$2.12 per share, in the three months ending Sept. 30, the company announced. Revenue rose 13 percent from a year earlier to \$9.8 billion.

The results reflect the dramatic shift underway as people switch to going online wirelessly and manufacturers that got the bulk of revenues from desktop PCs scramble to keep up.

Lenovo said its sales of smartphones, [tablet computers](#) and other [mobile devices](#) rose 106 percent over a year earlier to \$1.5 billion. Mobile's share of revenue expanded to 15 percent from the previous quarter's 9 percent.

Sales of traditional desktop PCs fell 3 percent to \$2.7 billion while laptop sales rose 8 percent to \$5 billion.

"We are optimistic about the industry's outlook," said chairman Yang Yuanqing in an earnings announcement.

"The PC market is recovering and tablet growth continues shifting to mainstream and entry-level segments, as well as emerging markets. These are Lenovo's strength areas," said Yang. "We are confident that we will capture these opportunities and continue our strong growth."

Lenovo, which is based in Beijing and in Research Triangle Park, North Carolina, has said it expects mobile devices to become the bulk of its business in coming years.

In its home China market, Lenovo's revenue rose just 1 percent to \$3.8 billion, reflecting a steady decline in economic growth. It said smartphone and tablet sales in China rose 45 percent.

Lenovo was declared the No. 1 [personal computer maker](#) in the previous quarter by research firms Gartner and IDC, finally surpassing rival Hewlett Packard Co. But that success was tempered by data that show sales of [desktop computers](#) steadily declining.

© 2013 The Associated Press. All rights reserved.

Citation: Lenovo profit up 36 percent as mobile grows (2013, November 7) retrieved 20 July 2024 from <https://phys.org/news/2013-11-lenovo-profit-percent-mobile.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.