

Taiwan's Hon Hai net profit up 1.5% in third quarter

November 14 2013

Taiwan tech giant Hon Hai Precision said Thursday net profit rose a better than expected 1.5 percent in the three months to September, although the earnings were weighed by the later release of Apple's latest iPhones.

The Tw\$30.72 billion (\$1.04 billion) profit was up from Tw\$30.26 billion a year earlier for the firm, which is a major parts supplier to Apple. The figure was much better than the Tw\$26.00 billion forecast by analysts polled by The Wall Street Journal. Net profit grew 41 percent in the previous three months, it said.

Revenue rose 5.1 percent to Tw\$919.3 billion in the period.

"Third-quarter earnings were generally in line with our expectations," said an analyst at a local securities firm.

"Traditionally Hon Hai's third and fourth quarter benefit from the launch of new Apple products around September but since iPhone 5C and 5S were unveiled in late September and didn't wow the consumers that much, their impact were limited," he said.

The firm's shares ended up 1.3 percent at Tw\$75.40 following the results.

Fubon Securities said in a research note that it forecast Hon Hai's revenue in the fourth quarter to grow 7.0 percent quarter-to-quarter but

fall 13 percent from last year to Tw\$986 billion.

Hon Hai, also known by its trade name Foxconn, is the world's largest computer components manufacturer and assembles products for Apple—including the iPhone—as well as Sony and Nokia.

It employs about one million workers in China, roughly half of them based at its main facility in the southern city of Shenzhen.

Apple reportedly has told two companies assembling its new lower-cost iPhone 5C that it is cutting orders for the [fourth quarter](#), raising concerns over weak demand.

© 2013 AFP

Citation: Taiwan's Hon Hai net profit up 1.5% in third quarter (2013, November 14) retrieved 19 April 2024 from <https://phys.org/news/2013-11-taiwan-hon-hai-net-profit.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.