

Intel 4Q net income rises 6 pct (Update)

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In this Monday, Jan. 6, 2014, file photo, Mooly Eden, senior vice president and perceptual computing general manager from Intel, talks to the media during the Intel news conference at the International Consumer Electronics Show in Las Vegas. Intel Corp. reports quarterly financial results after the market closes on Thursday, Jan. 16, 2014. (AP Photo/Jack Dempsey)

Intel's fourth-quarter net income rose 6 percent, as the company offset flat demand for its personal computer chips with higher sales of other products.

The world's largest chipmaker earned \$2.63 billion, or 51 cents per share, up from \$2.47 billion, or 48 cents per share, in the same quarter of 2012. Revenue rose 3 percent to \$13.83 billion.

Analysts polled by FactSet expected a profit of 52 cents per share on revenue of \$13.72 billion.

Intel supplies chips for the majority of personal computer processors, so the consumer shift away from PCs —and toward tablets and smartphones— continues to hurt sales. The company has tried to offset the decline with higher sales of chips for servers, phones and tablets.

Last week, a pair of research firms said PC sales continued to sink during the holiday shopping season, capping the steepest annual decline in PC shipments in decades.

According to Gartner Inc., worldwide PC sales fell 7 percent during the fourth quarter, marking the seventh-straight quarter of declines. Meanwhile, International Data Corp. said global PC shipments fell 6 percent.

Fourth-quarter revenue from Intel's PC group was \$8.6 billion, about the same as a year ago, while data center revenue jumped 8 percent to \$3 billion. Revenue from the company's other businesses increased 9 percent to \$1.1 billion.

For the full year, the Santa Clara, California-based company earned \$9.62 billion, or \$1.89 per share, down from \$11 billion, or \$2.13 per share, in 2012. Revenue fell to \$52.71 billion from \$53.34 billion.

For the current quarter, Intel projected revenue of \$12.3 billion to \$13.3 billion, bracketing analysts' expectations of \$12.8 billion.

Intel Corp. shares fell 79 cents, or 3 percent, to \$25.75 in aftermarket trading. The shares ended the regular session down 13 cents to \$26.54.

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