

Intel lifted by data centers, as PC market flounders

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Intel profits edge higher in the first quarter, as gains in its data center operations help offset weakness in the personal computer market

US technology giant Intel said Tuesday its profits edged higher in the first quarter, as gains in its data center operations help offset weakness in the personal computer market.

Profit for the quarter rose three percent from a year earlier to \$2 billion,

while revenues were flat at \$12.8 billion.

Intel has long been the dominant maker of chips for PCs but has been diversifying as the industry moves toward mobile and [wearable computing](#).

The latest results, which show weaker-than-anticipated demand for PCs, "reinforce the importance of continuing to execute our growth strategy," Intel chief executive Brian Krzanich said in a statement.

The results showed an eight percent year-over-year drop in revenue at Intel's client computing unit, which includes the PC chipmaking business. From the fourth quarter, the drop was a steep 16 percent, following the end of an upgrade cycle for many PC users.

But data center revenue rose 19 percent from a year ago. And the "Internet of Things" group, which includes new products such as wearable and [home automation devices](#), saw an 11 percent jump in revenue

Intel shares gained more than two percent in after-hours trade following the results, which were largely in line with analyst forecasts.

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