

Taiwan's Hon Hai 2Q profit down 23%

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Workers walk in front of Taiwanese electronics giant Hon Hai's headquarters in Tuchung city. Hon Hai Precision, the world's biggest contract electronics maker, said Wednesday net profit fell 23 percent in the three months to June mainly due to a tax on retained earnings.

Taiwan tech giant Hon Hai Precision, the world's biggest contract electronics maker, said Wednesday net profit fell 23 percent in the three months to June mainly due to a tax on retained earnings.

Hon Hai, which makes a wide range of products including Apple's [iPad](#) and [iPhone](#) and phones for Sony and Nokia -- said net profit in the second quarter fell to Tw\$12.9 billion (\$447.9 million), from Tw\$16.75 billion a year earlier.

The figure marks a decline of 9.8 percent from the previous quarter when profit came in at Tw\$14.4 billion.

However, revenues rose to Tw\$785.9 billion, up from Tw\$653.9 billion a year ago.

[Net profit](#) in the first half this year rose 1.8 percent from last year to 27.38 billion.

A tax on retained earnings means companies pay more if they decide not to distribute those earnings among shareholders.

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