

AbbVie beats 2Q profit forecasts, but sales fall short

July 24 2015



This Jan. 24, 2015, file photo, shows the exterior of Abbvie, in Lake Bluff, Ill. AbbVie Inc. reports quarterly financial results on Friday, July 24, 2015. (AP Photo/Nam Y. Huh)

Drugmaker AbbVie Inc. reported better-than-expected second-quarter profit, but its sales disappointed Wall Street.

The North Chicago, Illinois-based company, which makes the blockbuster anti-inflammatory drug Humira, saw profit rise 24.4 percent

to \$1.37 billion, or 83 cents per share. Earnings, adjusted for non-recurring costs and amortization costs, came to \$1.08 per share.

The average estimate of eight analysts surveyed by Zacks Investment Research was for earnings of \$1.06 per share.

Revenue rose 11.1 percent to \$5.48 billion, mainly on a boost in sales of Humira. But, the results fell shy of Wall Street expectations, with five analysts surveyed by Zacks expecting \$5.6 billion.

Humira sales rose 7.6 percent to \$3.54 billion. The company relies on the drug for the majority of its revenue. It is approved to treat more than a dozen conditions including rheumatoid arthritis, psoriasis and Crohn's Disease. But, it will start losing patent protection next year and could eventually face competition from Amgen Inc., which is developing a biosimilar version of the drug.

AbbVie's second-biggest seller, the hepatitis C drug Viekira Pak, was approved in December and brought in \$385 million during the second quarter.

Viekira faces a crowded market with already established hepatitis C treatments including Gilead Sciences' Sovaldi and Harvoni. All three treatments are considered major improvements from earlier drug options.

Looking ahead, AbbVie expects full-year earnings in the range of \$4.10 to \$4.30 per share.

AbbVie's stock shed \$2.02, or 2.9 percent, hitting \$68.50 in premarket trading.

AbbVie shares have risen almost 8 percent since the beginning of the

year, while the Standard & Poor's 500 index has increased 2 percent. The stock has increased 29 percent in the last 12 months.

Elements of this story were generated by Automated Insights (automatedinsights.com/ap) using data from Zacks Investment Research. Access a Zacks stock report on ABBV at www.zacks.com/ap/ABBV

Keywords: AbbVie, Earnings Report

© 2015 The Associated Press. All rights reserved.

Citation: AbbVie beats 2Q profit forecasts, but sales fall short (2015, July 24) retrieved 22 September 2024 from <https://phys.org/news/2015-07-abbvie-2q-profit-sales-fall.html>

| |
|--|
| <p>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.</p> |
|--|