Drugs, Tupperware, Printers Lead To Profitable 2010

Pfizer beats views despite slight profit decline

NEW YORK (AP) — Pfizer Inc. said Tuesday its fourth-quarter profit nearly quadrupled from a year ago when it was weighed down by restructuring charges, as revenue rose 6 percent, thanks to the addition of products from fellow drugmaker Wyeth, acquired late in 2009.

The results narrowly beat Wall Street expectations. Pfizer also approved a $5 billion stock buyback plan and said it was cutting spending on research and development.

Pfizer, the world's biggest drugmaker by revenue, said its net income was $2.89 billion, or 36 cents per share, compared with $767 million, or 10 cents per share, a year earlier.

Adjusted net income was $3.77 billion, or 47 cents per share, down 1 percent from $3.83 billion a year earlier.

Revenue totaled $17.56 billion, up from $16.54 billion in 2009's fourth quarter.

Analysts surveyed by FactSet were expecting earnings per share of 46 cents and revenue of $16.99 billion.

The maker of cholesterol blockbuster Lipitor and impotence pill Viagra reported a 3 percent increase in sales of its prescription drugs, to $15.05 billion. Sales of veterinary medicines rose 8 percent, to $976 million, while the smaller consumer healthcare and nutrition businesses posted larger jumps, due to the addition of those Wyeth businesses.

Pfizer bought Wyeth for $68 billion in October 2009, but only recorded its revenue for part of that quarter.

Pfizer gave its first 2011 financial forecast, saying it expects earnings per share of $2.16 to $2.26, excluding just over $1 in one-time items. It expects revenue of $66 billion to $68 billion.

Analysts forecast earnings per share of $2.30 and revenue of $66.55 billion, on average.

"I am pleased with our solid financial performance again this quarter and this year despite continued challenging market conditions," new CEO Ian Read said in a statement.

Read took over after Pfizer's board unexpectedly pushed out CEO Jeffrey Kindler on Dec. 6, apparently due to the poor performance of Pfizer's stock and other issues during his 4 1/2-year tenure.

Tupperware 4Q profit dips, but beats estimates

ORLANDO, Fla. (AP) — Charges dragged Tupperware Brands Corp.'s fourth-quarter net income down 4 percent but strong sales in markets such as Brazil and India helped lift adjusted results above analysts' expectations.

The seller of home, kitchen, beauty and personal care products also forecast full-year adjusted earnings above Wall Street's view and said Tuesday that it will raise and accelerating its stock buyback plan.

Tupperware earned $80.7 million, or $1.26 per share, for the period ended Dec. 25. That's down from $84.1 million, or $1.31 per share, a year earlier. Excluding one-time charges to write down the value of goodwill and other items, however, earnings rose to $1.38 per share from $1.22 per share.

Revenue climbed 5 percent to $655 million from $626 million, with 55 percent of sales coming from emerging markets. Some of the strongest markets included Brazil, India and the Philippines. In established markets, Tupperware said sales in Austria performed exceptionally well again this quarter, and U.S. and Canada sales also increased. Sales in Australia, Germany, and Japan declined.

Analysts surveyed by FactSet expected net income of $1.28 per share on revenue of $650 million.

For the full year, net income climbed 29 percent to $225.6 million, or $3.53 per share, from $175.1 million, or $2.75 per share, in the previous year. Adjusted earnings were $3.72 per share.

Annual revenue rose 8 percent to $2.3 billion from $2.13 billion.

Tupperware said it expects first-quarter adjusted earnings of 81 cents to 86 cents per share, and 2011 adjusted earnings between $4.23 and $4.33 per share with revenue up 6 percent to 8 percent in local currency.

Analysts predict first-quarter earnings of 81 cents per share and full-year earnings of $4.14 per share, on average.

Tupperware boosted its buyback program to $600 million from $350 million and said it is speeding up stock repurchases with the use of each year's proceeds from stock option exercises, along with cash available at the end of the prior year. The company expects to repurchase $160 million worth of shares in 2011.

The Orlando, Fla.-based company also said that its board will likely evaluate its dividend rate annually in each year's first quarter, starting in 2012. Dividend increases will be expected to be about in line with profit increases.

Lexmark reports better-than-expected 4Q profit

LEXINGTON, Ky. (AP) — Shares of Lexmark International Inc. jumped in pre-market trading on Tuesday, after the printer manufacturer reported that its fourth-quarter profit rose 46 percent, easily beating analysts' expectations.

Lexmark, based in Lexington, Ky., is best known for its printers and photocopiers, though it also provides printing services to businesses, a segment Lexmark says is growing rapidly.

Lexmark earned $87.6 million, or $1.10 per share, during the period ended Dec. 31. That compares with year-earlier profit of $59.8 million, or 76 cents per share.

Excluding restructuring and acquisition-related costs, the company said it would have earned $1.29 per share. Analysts polled by FactSet Research expected $1.10 per share. Analysts typically exclude one-time items from their estimates.

News of Lexmark's better-than-expected results sent shares up $2.36, or 6.8 percent, to $37.20 in pre-market trading.

Revenue for the quarter rose to $1.1 billion from $1.07 billion, matching analysts' expectations.

During the quarter, sales of printers and supplies, such as ink cartridges, edged up. The company's software business saw the most dramatic growth with a 42 percent sales boost.

Throughout the year, though, Lexmark's core printer business grew the most, while printing supplies accounted for the bulk of revenue.

For the full year, the company's profit more than doubled to $340 million, or $4.28 per share. In 2009, the company earned $145.9 million, or $1.86 per share.

Revenue rose to $4.20 billion from $3.88 billion.

For the current quarter, Lexmark expects to earn between $1.08 and $1.18 per share — or $1.18 to $1.28 per share, not counting costs related to restructuring and acquisitions. Lexmark expects revenue to rise about 1 percent, which would mean roughly $1.05 billion in sales. Earnings in the first quarter of 2010, not counting special items, were $1.20 per share.

Analysts surveyed by FactSet expect earnings of $1.16 per share on $1.05 billion in revenue.

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