Altera Stock Up After 2Q Results Beat Estimates

The Associated Press

SAN JOSE, Calif. (AP) — Chip maker Altera Corp. said Tuesday that its second-quarter net income fell 24 percent as revenue declined, but the results beat Wall Street's expectations and shares jumped in after-hours trading.

The company earned $162.7 million, or 50 cents per share, in the April-June period. That's down from earnings of $214.6 million, or 65 cents per share, in the same period a year earlier.

Revenue fell 15 percent to $464.8 million from $548.4 million.

Analysts, on average, were expecting earnings of 39 cents per share on revenue of $445.2 million, according to a poll by FactSet.

For the current quarter, Altera is forecasting sequential revenue growth of 2 percent to 6 percent.

Analysts are expecting revenue of $470.4 million, a 1 percent sequential increase.

Altera's chips are used in communications equipment, consumer electronics, as well as in the automotive industry and elsewhere.

Separately, the company said its board has approved a plan to raise its regular quarterly dividend by 2 cents to 10 cents. The dividend will be paid on Sept. 4 to shareholders of record as of Aug. 10.

The board also approved an increase to Altera's stock buyback program authorization by 10 million shares. Altera now has 14.6 million shares authorized for repurchase. As of April 11, Altera had about 322.6 million shares outstanding.

Shares of Altera rose $2.53, or 8.3 percent, to $33.20 in after-hours trading. The stock had closed down 45 cents at $30.67.

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