

Lenovo's profits rise by 23% to \$214m

HONG KONG - Lenovo has posted a 23% jump in quarterly net profit, beating market estimates as the Chinese technology company logged strong sales of personal computers and smartphones.



Lenovo's smartphone shipments grew by 39% year-on-year as it made strong inroads into the smartphone market. Image: [Gizmag](#)

The world's biggest manufacturer of PCs said net profit for the three months to June climbed from \$174m to \$214m in the three month period.

"Revenue for the quarter was up 18% at \$10.39bn," the company said in a filing to the Hong Kong stock exchange.

Lenovo said it achieved "strong results with record performance across all lines of business", adding that worldwide smartphone shipments grew about 39% year-on-year.

In a bid to diversify its business beyond PCs, Lenovo earlier this year announced a \$2.91bn deal to purchase Motorola from Google and another \$2.3bn deal to buy IBM's low-end server business.

The company said it was working with authorities to close both deals and is well prepared for the coming integration.

"The group believes the acquisition of Motorola along with an innovative product portfolio and incredibly talented global team will immediately make Lenovo a truly global smartphone supplier in the fast-growing mobile market," the company said.

Analysts say the solid results, which surpassed market expectations, have boosted investor confidence.

"Strong earnings give investors more confidence about Lenovo's ability to manage the acquisitions," Alberto Moel, an Analyst from Sanford C. Bernstein, told Dow Jones Newswires.

Source: AFP via I-Net Bridge

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