

Little to 'Gladden' hearts as Dell's profits fall

SAN FRANCISCO, USA: Dell said its third-quarter profit slid 47% from a year ago, but claimed its new strategy emphasising software and cloud computing was paying off.

Dell, one of the major personal computer manufacturers which has been hurt by a shift to tablets and other mobile devices, reported net income fell to US\$475m, or 39 cents a share, marginally lower than analysts had forecast.

Revenues dipped 11% from a year ago to US\$13.7bn, also below expectations.

But Dell said its "enterprise solution strategy" showed positive results with server and networking revenue increasing 11%.

"In a difficult global information technology spending environment we saw solid proof points that demonstrate progress in our strategy," said Brian Gladden, Dell's chief financial officer.

"We're encouraged by early interest in our new Windows 8 touch portfolio and the opportunities it creates for our commercial and consumer businesses," Gladden said.

Texas-based Dell, once the biggest PC maker, has fallen to third place in global sales, according to market tracker IDC.

Dell has expanded its effort in the Internet "cloud" in the face of softening demand for traditional computing hardware and has also moved into software and other services.

Dell announced in June it will use some of its cash stockpile to pay dividends in a bid to boost shareholder value.

Source: *AFP* via I-Net Bridge