Corporate News

Toyota retakes global auto sales crown from GM

Toyota has once again dethroned General Motors (GM) as the world's top-selling automaker. The Japanese company sold 9.7 million cars and trucks worldwide in 2012, although it's still counting. GM sold 9.29 million. GM was the top-selling carmaker for more than seven decades before losing the title to Toyota in 2008. But GM retook the sales crown in 2011 when Toyota's factories were slowed by an earthquake and tsunami in Japan. The disaster left Toyota dealers with few cars to sell. The company has since recovered.

Lumia sales boost Nokia’s results

Nokia's mobile phone business achieved underlying profitability in the fourth quarter of 2012, ahead of its earlier forecast, boosted by strong sales of its new Lumia smartphone. The company said that its results were also helped by 50 million euros in patent fees, improved cost management and a better than expected performance from its Nokia Siemens Networks unit. Fourth-quarter net sales in devices and services were about 3.9 billion euros. It sold a total of 86.3 million devices. Smartphones accounted for 6.6 million units, of which 4.4 million were the Windows-based Lumia handsets.

Galaxy lifts Samsung profit to record

Surging mobile handset sales drove earnings at Samsung Electronics to another record in the fourth quarter of 2012, despite the competitive threat from Apple's iPhone 5. The South Korean group's operating profit hit a record for the fifth straight quarter, rising 88 per cent from a year earlier to about Won8.8tn ($8.27 billion). Revenue rose by 18 per cent to approximately Won56tn. Although Samsung did not provide a breakdown of the results, some analysts believe the profit growth was driven by the handset business, which accounted for about two-thirds of earnings in the previous quarter.

Mercedes races to new annual sales record in 2012

Luxury German carmaker Mercedes-Benz said that it had achieved record sales in 2012, driven by accelerating growth in China and the United States. About 1.3 million Mercedes-Benz cars were sold in 2012, the firm said in its annual sales release, a gain of 4.7 percent on the previous year. With 274,134 cars sold in the United States (a gain of 11.8 percent), this overtook Germany (261,084 cars sold) as Mercedes-Benz's main sales market. Nearly 200,000 Mercedes were sold in China, a gain of 1.5 percent, the firm added.

Wal-Mart plans to hire 100,000 veterans over five years

Wal-Mart Stores Inc, the world's largest retailer, plans to hire more than 100,000 veterans in the United States over the next five years. Most of the veterans will be placed in the company's stores and clubs, and some will be employed in distribution centers. The retailer will start issuing job offers to veterans from Memorial Day in May. The offers will be given to any honorably discharged veteran within his or her first twelve months off active duty. Wal-Mart said in a statement that it had spoken with the White House about the hiring commitment and First Lady Michelle’s team had expressed an interest in working with the retailer. Walmart U.S. is the largest retail chain and the largest private employer in the United States, with about 1.3 million employees.

Volkswagen hits global sales record

Volkswagen (VW) posted record-breaking global sales in 2012, up 11 percent at 9.07 million, but the ambitious German automaker continues to trail Japanese rival Toyota. The 12-brand company's sales jumped 34 percent in the United States, eight percent in South America and 25 percent in China, VW's largest market with 2.81 million vehicles sold last year. The group hopes to sell "well in excess" of 600,000 Volkswagens and Audis in the United States this year, up marginally from 596,100 in 2012. Sales were stable overall in Europe despite the economic crisis, but were down 6.5 percent in Western Europe excluding Germany at 1.85 million.
Infosys profit beats market expectations

Infosys Technologies Ltd, India’s second largest software services firm, reported a better-than-expected net income after tax of $434 million for the quarter ended December 31, 2012 against $431 million for the quarter ended September 30, 2012. India’s blue-chip IT company earned a consolidated net profit of 23.69 billion rupees for the third quarter of 2012-2013 fiscal year, up from net profit of 23.7 billion rupees a year earlier. Contrary to market expectations, Infosys raised its revenue outlook for the fiscal year ending March 31, 2013 from 5 percent to 6.6 percent.

BMW clock up record sales in 2012

German top-of-the-range carmakers BMW and Audi raced ahead to new sales records in 2012, with growth driven primarily by demand outside Europe. BMW said in a statement that it sold a total 1.845 million vehicles last year, an increase of 10.6 percent over 2011. Strong demand from outside Europe was the main driver of its success. In December alone, BMW sold 181,571 vehicles, which represents a rise of 14.8 percent year-on-year.

Apple to drop patent claims against new Samsung

Apple Inc has agreed to withdraw patent claims against a new Samsung phone with a high-end display after Samsung said it was not offering to sell the product in the crucial U.S. market. Apple disclosed the agreement in a filing in U.S. District Court in San Jose, California.

Honda axes 800 British jobs on weak demand

HONDA has announced it intends to cut 800 jobs this year at its Swindon plant in Britain owing to weakening demand for its vehicles in Europe. The Swindon plant in southwest England currently employs about 3500 staff, including 500 recruited only last year, in part to work on a new diesel engine line.

Boeing suspends 787 deliveries

The American aerospace company Boeing halted deliveries of its 787 Dreamliner but said it would continue to build the aircraft while safety experts examine its battery and electrical systems. The announcement capped a week in which all 50 787s in service around the world were grounded on orders from multiple aviation authorities to investigate the cause of two incidents, including a fire, linked to its batteries. Dreamliners had been flying in Chile, Ethiopia, India, Japan, Poland, Qatar and the United States until their flights were stopped after a global alert issued by the US Federal Aviation Administration.

Citigroup profit hit by more than $2 billion in charges

Citigroup Inc posted $2.32 billion of charges for layoffs and lawsuits in the first financial report under its new chief executive, who cautioned that the bank needs more time to deal with the problems it faces. Even with the charges, Citi reported a higher fourth-quarter profit as trading revenue rebounded. Fourth-quarter net income was $1.2 billion, or 38 cents a share, compared with $956 million, or 31 cents a share, in same quarter of 2011. Revenue from fixed income markets increased 58 percent, driving Citi’s Securities and Banking segment back to profitability. Companywide revenue, adjusted for certain items, increased 8 percent, while operating expenses were unchanged. Results were reduced by new legal costs of $1.29 billion, or 27 cents a share, and a previously announced corporate restructuring charge of $1.03 billion, or 21 cents a share.

Swatch buys luxury jeweler Harry Winston

Swatch Group AG (UHR), the biggest maker of Swiss timepieces, agreed to buy the Harry Winston watch and jewelry unit for about $1 billion, adding a luxury label in its biggest acquisition. Swatch Group will pay Harry Winston Diamond Corp. (HWD) $750 million and assume as much as $250 million in debt, the Biel-based company said in a statement. Swatch sells watches under 19 different brands, including luxury brand Omega. Buying Harry Winston -- a deal subject to regulatory approval -- will bring it into competition with luxury jewelry market leader Cartier, which is owned by Richemont.
McDonald's U.S. December sales help Q4 profit

McDonald’s Corp reported an unexpected rise in sales in December 2012 at established US restaurants, helping to lift its fourth-quarter profit above estimates. The world’s largest restaurant chain said that sales at US eateries open at least 13 months rose 0.9 per cent in December. A push by the company to have more of its restaurants open on Christmas and a shift of the limited-time offering of its popular McRib sandwich to December, both helped boost US sales during the month. Net income at the world’s biggest restaurant chain rose to US$1.40 billion, or US$1.38 per share, from US$1.38 billion, or US$1.33 per share, a year earlier. Total sales rose by 1.5 per cent to US$4.59 billion. McDonald’s fourth-quarter global sales at restaurants open at least 13 months rose 0.1 per cent.

General Electric bullish on 2013

US industrial giant General Electric (GE) has closed out 2012 with a better-than-expected quarter and offered a bullish outlook for 2013. The US conglomerate said fourth-quarter operating earnings came in at 44 US cents per share, one cent above the 43 cents forecast by some analysts. Net income, which includes non-operating pension costs, came in at 38 cents per share. General Electric, which builds power generation equipment, wind turbines and other industrial products, said all of the sub-units of General Electric's industrial division showed year-on-year gains, with double-digit percentage increases in oil and gas, energy management, aviation and transportation.

Sony develops the world's first and largest “56-inch 4K OLED TV”

Sony Corporation recently developed the first 4K (3840 x 2160) OLED (organic light-emitting diode) televisions. To demonstrate its latest achievement, Sony will display a 56-inch prototype at The International Consumer Electronics Show in Las Vegas, Nevada. The world's first and largest 56-inch OLED TV achieves 4K resolution by using the latest oxide semiconductor TFTs and Sony's own ‘Super Top Emission’ technologies. Up until now, in order to force light through the OLED layer, OLED TVs used low-temperature polysilicon (LTPS) thin-film transistors (TFTs). However, there were some challenges inherent in the manufacture of large OLED displays. Using oxide semiconductor TFTs Sony has been able to produce this new larger display.

Kodak wins approval for $844 million bankruptcy financing

Eastman Kodak Co., the bankrupt US photography company, won court approval for $844 million in financing that it will use to complete its restructuring. The financing from a group of noteholders was approved at a hearing by U.S. Bankruptcy Judge Allan Gropper in Manhattan. Kodak, based in Rochester, New York, filed for bankruptcy in January 2012, and Chief Executive Officer has been selling businesses to shrink the company and fund its shift into commercial printing and packaging. Earlier, it won court approval to sell patents to a group of technology companies including Apple Inc. and Google Inc.

Siemens earnings, orders down in first quarter

German engineering firm Siemens, which makes a wide range of different industrial equipment from wind power generators to complete power plants and trains, said that its earnings and orders fell in the first quarter, but it was hoping a shake-up of its businesses would nevertheless enable it to meet its full-year targets. In the first quarter, the three months to December 2012, Siemens new orders declined by 3.0 percent to 19.141 billion euros ($25.5 billion). Revenues, on the other hand, edged up by 2.0 percent to 18.128 billion euros, but net profit fell by 12 percent to 1.214 billion euros. Overall underlying profit, which Siemens calculates as "total sectors profit", rose by 4.0 percent to 1.7 billion euros, which is equivalent to a profit margin of 9.3 percent, up from 9.0 percent in the same quarter a year earlier.

Intel's profit, sales down in fourth quarter of 2012

Computer chip firm Intel reported that its profit dropped nearly 27 percent in the fourth quarter of 2012. For the last three months of 2012, Intel's net income fell to $2.5 billion from $3.4 billion in the year-ago quarter. The company also saw a decline of sales. Its revenue was $13.5 billion in the quarter, down about 3 percent from $13.9 billion in the same period in 2011.