

St. Jude Medical 3Q profit grows 25 percent

Published on Medical Design Technology (<http://www.mdtmag.com>)

St. Jude Medical 3Q profit grows 25 percent

The Associated Press

St. Jude Medical Inc. on Wednesday reported a 25 percent jump in third-quarter profit as it booked fewer charges and saw stronger sales of medical devices. The company also raised its outlook for the fourth quarter and full year above Wall Street expectations.

St. Jude said its net income grew to \$208.4 million, or 63 cents per share, for the three months ended Oct. 2. That's up from \$166.9 million, or 48 cents per share, a year earlier. Excluding one-time items the company said it earned 72 cents per share in the latest quarter.

Revenue rose 7 percent to \$1.24 billion from \$1.16 billion as sales of heart rhythm management devices also climbed 7 percent to \$738 million. Sales of implantable heart devices grew 13 percent to \$439 million and pacemaker sales held steady at \$299 million, the company said..

On average, analysts had expected a profit of 68 cents per share and \$1.25 billion in revenue, according to a Thomson Reuters poll.

The company booked \$10.7 million in one-time costs in the most recent quarter, mostly related to its purchase of LightLab Imaging. A year ago, the company incurred over \$40 million in costs related to job cuts, streamlining manufacturing and impairment charges.

Revenue from neuromodulation implants, which are designed to treat pain and other conditions by stimulating the nervous system, picked up 11 percent to \$93 million. Cardiovascular device revenue increased 4 percent to \$240 million.

Earlier this week St. Jude agreed to buy heart device maker AGA Medical Inc. for \$1.04 billion. That deal is expected to close by the end of 2010, and could deliver a large boost to St. Jude's cardiovascular device sales in the coming years.

Looking ahead, St. Jude raised its full-year adjusted profit estimate to a range of \$2.98 to \$3 per share, from \$2.86 to \$2.91 per share previously. The annual estimate includes net income of 72 cents to 74 cents per share for the fourth quarter.

Analysts have forecast quarterly earnings of 70 cents per share, on average, and full-year results of \$2.91.

St. Jude shares fell \$1.39, or 3.5 percent, to \$38.37 in morning trading.

St. Jude Medical 3Q profit grows 25 percent

Published on Medical Design Technology (<http://www.mdtmag.com>)

Source URL (retrieved on 11/28/2014 - 3:29pm):

<http://www.mdtmag.com/news/2010/10/st-jude-medical-3q-profit-grows-25-percent>