Baxter 3rd-quarter profit rises 10 percent

The Associated Press

Baxter International Inc.'s third-quarter net income rose 10 percent, driven by strong demand for the drugmaker's immune-system treatments and other therapies.

Net income rose to $576 million, or $1.01 per share, from $525 million, or 89 cents per share, a year ago. Taking out a charge for the resolution of litigation, quarterly profit totaled $1.09 per share.

Revenue rose 8 percent to $3.48 billion from $3.22 billion. Excluding the effect of currency translation, the figure rose 3 percent.

Analysts surveyed by FactSet expected, on average, a quarterly profit of $1.08 per share on revenue of $3.41 billion.

Baxter said BioScience revenue rose 9 percent to $1.52 billion, reflecting "robust" demand for Gammagard Liquid — an injectable treatment for patients with weakened immune systems — certain plasma-based therapeutics, and vaccines.

Medical Products revenue increased 7 percent to $1.95 billion, or increased 10 percent excluding the effect of the divestiture of Baxter's U.S. multisource generic injectables business.

The Deerfield, Ill., company boosted spending on research and development by 15 percent to $239 million during the third quarter, reflecting in part the progress of treatments in late-stage development.

Looking ahead, Baxter confirmed its full-year guidance for adjusted income of $4.29 to $4.32 per share and sales growth of 5 to 6 percent.

For the fourth quarter, the company expects to earn $1.15 to $1.18 per share before charges on sales growth of 1 to 2 percent.

Analysts expect Baxter to earn $1.17 per share on revenue of $3.61 billion in the fourth quarter and $4.30 per share on revenue of $13.82 billion for 2011.

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