

Microsoft's 2Q 2013 Hits \$21.5B in Revenue, \$6.38B Profit

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Microsoft [reported](#) [1] \$21.5 billion in revenue for its second quarter 2013, with a net income of \$6.38 billion on \$0.76 EPS. The revenue marks a three percent jump annually while both income and Earnings Per Share (EPS) dropped annually three percent.

Both revenue and EPS fell just less than [analyst estimates](#) [2].

While much of the focus of Microsoft's second quarter results fell on how its Windows Division performed in a slumping PC market--it pulled in \$5.88 billion in revenue, a 24 percent increase annually--a little bit of attention had to be directed toward its Games and Devices Division. The \$3.77 billion that division posted marked an 11 percent decrease annually, but general manager of investor relations Chris Suh noted that Windows Phone sales were four times higher than the previous year, according to SeekingAlpha's [transcript](#) [3] of the conference call. Suh also mentioned that Skype fielded 138 billion minutes of calls in 2Q, a 59 percent increase annually.

In ComScore's most recent three-month [study](#) [4], ending in October of last year, Windows Phone OS was holding onto a 3.2 percent share of the U.S. smartphone platform market, down from the 3.6 percent it had at the end of ComScore's previous report.

A glimmer of hope for Windows Phone came earlier when slumping giant Nokia [reported](#) [5] a rare quarterly profit, part of which came from moving 4.4 million Lumias, the handset makers flagship Windows Phones. A turn around for Nokia would be beneficial for a Windows Phone struggling to catch hold in the U.S. market dominated by Apple and Android. Likewise, rumors of the imminent [arrival](#) [6] of a new Lumia device on Verizon's network show promise for Windows Phone's future U.S. foothold.

The growth of Microsoft's Windows Division bodes well for Windows Phone 8 as well, as the company's unifying desktop and mobile OS strategy should breed a symbiotic relationship.

As of 9:57 a.m. CST, Microsoft's stock was up just less than one percent.

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[3] <http://seekingalpha.com/article/1132561-microsoft-s-management-discusses-f2q-2013-results-earnings-call-transcript?page=1>

[4] http://www.comscore.com/Insights/Press_Releases/2012/11/comScore_Reports_October_2012_U.S._Mobile_Subscriber_Market_Share

[5] <http://www.wirelessweek.com/news/2013/01/nokia-posts-107b-q4-revenue-proposes-no-dividend>

[6] <http://www.theverge.com/2013/1/24/3912250/nokia-laser-verizon-windows-phone-8>