

GlaxoSmithKline posts rising Q3 profits

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British drugmaker GlaxoSmithKline said Wednesday that third-quarter net profit rose seven percent, boosted by growth across its main pharmaceuticals, vaccines and consumer healthcare divisions.

The London-listed group also hiked its [shareholder dividend](#) by six percent to 17 pence, and added that it would increase share repurchases this year to £2.3 billion, compared with £2.0 billion previously.

Earnings after taxation increased to £1.378 billion (\$2.20 billion, 1.58 billion euros) in the three months to the end of September, compared with £1.288 in the same part of last year, GSK said in a results statement.

Sales grew six percent to £6.992 billion in the reporting period.

"The breadth and mix of GSK's product and geographic portfolio is helping the group to mitigate economic volatility," chief executive Andrew Witty said in the earnings release.

"However, the environment for pharmaceutical and consumer products remains challenging."

In early afternoon deals, GSK's share price rose 0.47 percent to 1,388.50 pence on London's FTSE 100 index of leading companies, which was 0.23 percent higher at 5,538.16 points.

"GlaxoSmithkline's third quarter numbers may not be the most exciting,

but the pharmaceutical giant continues to go from strength to strength," said ETX Capital senior trader Manoj Ladwa.

"Despite reporting in-line with analyst expectations, investors will be encouraged by the 6.0-percent hike in dividend and shifting the share buy-back programme up a notch."

The company was last year plagued by exceptional legal charges linked to its former diabetes drug Avandia, which has been pulled from European shelves on fears that it increased the risk of heart attack and strokes.

GSK was rocked in September 2010 when the European Union medicines regulator decided to ban Avandia. Regulators also restricted its availability in the United States.

The EU pulled Avandia owing to concerns over its active substance rosiglitazone. It decided also to halt the sale of Glaxo's other diabetes drugs, Avandamet and Avaglim, since they too contained rosiglitazone.

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