Demand For Fizzy Drinks Boosts SodaStream 3Q

NEW YORK (AP) — Increasing demand for SodaStream's fizzy drink makers lifted the company's third-quarter net income 66 percent. Shares jumped after it raised its forecast for the year.

The fast-growing company said revenue increased by a third in Western Europe, its biggest market, and climbed 61 percent in the Americas. Revenue overall rose 49 percent to $112.5 million, topping analysts' average expectation of $104 million.

Revenue from sales of the company's soda-making kits rose 37 percent, while revenue from the flavored syrups, CO2 refills and other products used with the kits rose 55 percent.

For the July-September quarter, profit came to $16.8 million, or 80 cents per share, from $10.1 million, or 48 cents per share, a year ago. Stripping out the cost of paying employees with stock options, earnings came to 87 cents per share in the latest quarter, when analysts polled by FactSet expected, on average, 73 cents.

Demand topped the company's own expectations, and it said it had high hopes that a new style of soda maker, called the Source, would further fuel growth.

SodaStream machines are growing in popularity because they offer a cheaper alternative to buying bottled, carbonated drinks and they also cut down on waste. The Israeli company has lined up a U.S. deal with the world's largest retailer, Wal-Mart, and has also announced partnerships with Kool-Aid maker Kraft.

SodaStream International Inc. now expects profit this year to be about $43.7 million, up 59 percent from 2011. It had previously predicted a 55 percent increase. The company expects 2012 revenue to rise 46 percent, to about $421.9 million, up from its prior forecast for a 40 percent jump.

Analysts predict net income of $43.5 million, on revenue of $406.7 million.

Shares rose $2.19, or 6.4 percent, to $36.35 in premarket trading.

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