Harley-Davidson Posts $105.7M Profit

NEW YORK (AP) — Iconic motorcycle maker Harley-Davidson posted a profit of $105.7 million for the fourth quarter, boosted by improved consumer confidence that prompted more riders to buy its often-pricy bikes.

The profit contrasted with a loss in the same period a year ago. The company expects to ship more motorcycles this year.

Keith Wandell, the company's president and chief executive, credited a sales jump in the latest quarter to improved consumer confidence in the United States, along with key growth investments overseas.

"While we are encouraged by the retail sales trend, we continue to keep a close watch on the marketplace and remain cautious in our expectations for 2012," Wandell said in a statement.

Harley-Davidson Inc. reported net income of 46 cents per share for the three months ended Dec. 31. That contrasts with a loss of $46.8 million, or 20 cents per share, a year ago.

Excluding discontinued operations, the Milwaukee-based company earned 24 cents per share, compared with an adjusted loss of 18 cents per share in the 2010 quarter.

The adjusted profit fell a penny short of Wall Street predictions. Analysts polled by FactSet expected adjusted earnings of 25 cents per share.

Motorcycle and related product revenue rose 12 percent to $1.03 billion, slightly higher than average analysts' predictions of $1.01 billion. Retail sales of new motorcycles grew 11 percent worldwide and included a 12 percent increase in the United States.

Harley shipped 50,730 motorcycles to dealers and distributors during the quarter, compared with 44,481 in the same quarter last year. Revenue from parts and accessories increased 7.9 percent to $161.2 million, while revenue from general merchandise, such as clothes and accessories increased 13 percent to $69.3 million.

The company said it expects to ship between 240,000 and 245,000 motorcycles this year, which would represent an increase of 3 percent to 5 percent over 2011. For the first quarter, Harley said it expects to ship between 58,000 and 63,000 motorcycles.

For the full year 2011, Harley reported net income of $599.1 million, or $2.33 per

share, up from $146.5 million, or $1.11 per share, in 2010. Motorcycle and related product revenue increased to $4.66 billion from $4.18 billion.

Harley-Davidson shares slipped 87 cents, or 2.1 percent, to $41 in light premarket trading.

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