Molex 2Q Profit Rises, But 3Q Outlook Disappoints

The Associated Press

LISLE, Ill. (AP) — Molex Inc., an electronic components and cables maker, said Wednesday that its fiscal second-quarter profit rose 10 percent on higher shipments. But orders fell later in the quarter, and the company posted an outlook for its third quarter that was slightly below analyst expectations.

The Lisle, Ill.-based company reported net income of $70.4 million, or 39 cents per share, for the three months ended Dec. 31. That compares with $64 million, or 36 cents per share, in the same period a year prior.

Revenue rose 13 percent to $967.7 million, a record for the company. Revenue was at $857.6 million in the 2011 quarter.

The results met Wall Street's expectations for profit of 39 cents per share, and topped forecasts for revenue of $948.9 million, according to research firm FactSet.

For the current quarter ending in March, the company said that expects earnings in the ranges of 33 cents per share and 37 cents per share. It expects revenue between $900 million and $930 million.

Analysts were forecasting earnings of 38 cents, on average, with estimates ranging from 35 cents to 44 years. Wall Street was expecting revenue of $935.5 million, on average, with estimates from $905.7 million to $969.4 million.

The company said that its backlog was $404 million in the fiscal second quarter, down 9.3 percent from the fiscal first quarter. Orders were lower due to seasonal trends, Molex said.

Jefferies & Co. analyst James Kisner said the weak guidance was "largely unsurprising," given results from a rival that reported earlier. Kisner said Molex's consumer electronics and industrials unit results were weaker than expected, while its automotive business grew slightly more than he forecast. He kept a "Hold" rating and $26 price target on the stock.

Molex shares fell 82 cents, or 2.9 percent, to $27.85 in afternoon trading.

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