

Delphi Earnings Fall On Restructuring Charges

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The Associated Press

TROY, Mich. (AP) — Delphi Automotive saw its fourth-quarter net income cut in half as the auto parts retailer booked restructuring and acquisition costs.

The company, formerly part of General Motors, made \$136 million, or 43 cents per share, from October through December, compared with \$290 million, or 88 cents per share, a year earlier. Revenue fell 3.3 percent to \$3.8 billion.

Excluding the one-time costs, Delphi said it made 90 cents per share for the quarter. That beat Wall Street's expectations, with analysts polled by data provider FactSet predicting earnings of 84 cents per share for the quarter on revenue of \$3.8 billion.

For the full year, Delphi said it made about \$1.1 billion, or \$3.33 per share, up from \$1.1 billion, or \$2.72 per share a year earlier.

Delphi cited economic conditions in Europe, as weakness in the euro and the Brazilian real, for the lighter revenue.

Major automakers are shuttering plants and cutting jobs with half the European Union in recession and driving down demand for vehicles.

CEO Rodney O'Neal said that the company has initiated significant restructuring, mainly in Europe, to offset economic conditions there. The company reported a \$170 million charge for restructuring and asset impairments in the fourth quarter.

Delphi predicted first-quarter 2013 adjusted earnings of 93 cents to \$1 per share on revenue of \$3.9 billion to \$4 billion. For the full year, the company expects to earn \$4.12 to \$4.38 per share on revenue of \$16.2 billion to \$16.6 billion.

The first-quarter earnings fell short of Wall Street expectations. Analysts expect earnings of \$1.06 per share on revenue of \$4 billion. But Delphi's full-year guidance was within the range of analysts' predictions. They expect earnings of \$4.25 per share on revenue of \$16.58 billion.

Shares of Delphi Automotive PLC fell 41 cents, or 1 percent, to \$38.81 in morning trading.

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