Hain Celestial Earnings Rise on UK Acquisitions

MELVILLE, N.Y. (AP) — Hain Celestial Group Inc.'s said Tuesday that fiscal second-quarter profit rose 58 percent on higher revenue driven by acquisitions in the United Kingdom and rising sales of its brands elsewhere.

The maker of Celestial Seasonings tea and Earth's Best baby food raised its full-year earnings outlook, but cut its revenue outlook, after revenue came in short of analysts' expectations. Its stock fell in after-hours trading.

Hain Celestial said the October acquisitions of Hartley's jam and Sun-Pat peanut butter in the United Kingdom helped its revenue there more than double. It also quit making some unprofitable store-brand lines.

The company, based in Melville, N.Y., reported net income of $31.6 million, or 67 cents per share, for the quarter that ended Dec. 31. That's up from $20 million, or 44 cents per share, a year ago.

Excluding one-time items, mostly tied to acquisitions, and a loss from discontinued operations, earnings were 72 cents per share. Analysts polled by FactSet expected 69 cents.

Revenue jumped 25 percent to $455.3 million. Analysts forecast $472.8 million. Aside from the increase in U.K. sales, Hain saw an 8 percent increase in revenue in the U.S., its largest market.

Hain Celestial now expects fiscal year 2013 earnings will range from $2.40 to $2.47 per share on revenue from $1.74 billion to $1.76 billion. The outlook is up from a previous projection of $2.35 to $2.45 per share. However, the company previously expected revenue of $1.78 billion to $1.8 billion. Analysts estimated earnings of $2.42 per share on revenue of $1.77 billion.

Hain's shares fell $2.40, or 4 percent, to $57 in after-hours trading. The stock rose more than 3 percent in the regular trading session, before the earnings release.

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