Keurig Green Mountain's Quarterly Net Income Perks Up

NEW YORK (AP) — Keurig Green Mountain, known for its single-serve coffee brewing system, said Wednesday its net income climbed 22 percent in the fiscal second quarter.

The company [1]said its sales rose 10 percent over the three months ended March 29, and its net income and revenue surpassed Wall Street's expectations.

Keurig shares gained $6.29, or 6.8 percent, to $98.50 in aftermarket trading following the release of the earnings report.

The company [2] said its net income increased to $162.1 million, or $1.03 per share, from $132.4 million, or 87 cents per share. Keurig said it earned $1.08 per share if one-time items are excluded. Revenue grew to $1.1 billion from $1 billion.

FactSet says analysts expected adjusted net income of 95 cents per share and $1.05 billion in revenue.

Keurig is now forecasting adjusted net income of $3.63 to $3.73 per share in fiscal 2014, down from its previous estimate of $3.75 to $3.85 per share. It still says revenue should grow by a high single-digit percentage from last year's total of $4.36 billion.

Analysts are calling for net income of $3.72 per share and revenue of $4.65 billion, or growth of about 7 percent.

The Waterbury, Vermont, company also said it expanded a marketing deal with J.M. Smucker Co. Keurig said Smucker brands like Folgers, Folgers Gourmet Selections, Cafe Bustelo, and Millstone will be available in Keurig packs that work with its consumer and commercial brewing systems. Keurig said the companies have been working together since 2010.

Shares of Keurig Green Mountain Inc. fell 3.2 percent to $92.21 during regular-session trading.

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