

Krispy Kreme Stumbles From Cut Forecast

NEW YORK (AP) — Shares of Krispy Kreme stumbled in aftermarket trading after the doughnut chain cut its outlook for the year.

Krispy Kreme said its net income grew 21 percent in the three months through May 4, although harsh winter weather hurt its sales.

But the company forecast profit of 69 to 74 cents per share in the year that runs through Feb. 1, down from its previous outlook of 73 to 79 cents per share and below analysts' prediction of 78 cents per share.

Krispy Kreme cited its first-quarter results as well as costs related to new technology systems and management changes for the cut guidance.

Anthony Thompson became president and CEO of Krispy Kreme on Sunday. He is the former president and chief operating officer of pizza chain Papa John's International Inc.

Shares of Krispy Kreme Doughnuts Inc. dropped \$1.70, or 9 percent, to \$17.14 in aftermarket trading.

For the first quarter, profit came to \$9.7 million, or 14 cents per share, from \$8 million, or 11 cents per share, a year ago. Excluding one-time items, earnings were 23 cents per share, matching Wall Street's prediction, according to FactSet.

Revenue of the Winston-Salem, North Carolina, company rose 1 percent to \$121.6 million. Wall Street expected a bigger gain, to \$125.4 million.

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