Key Tronic's December Sales, Profits Up

Written by Mike Buetow Friday, 01 February 2008 08:59 -

SPOKANE VALLEY, WA – **Key Tronic Corp.** reported December quarter revenue of \$50.8 million, up 14% sequentially and 2% last year.

Net income was \$1.6 million, up from \$300,000 a year ago. The results include a gain of approximately \$951,000 from the company's sale of its former facility in Las Cruces, NM.

Gross margins were diminished from higher overtime and shipping expenses.

In a press release, president and chief executive Jack Oehlke said, "Accelerated customer demand in December caused our revenue to actually exceed expectations. We expect over 10 new customer programs to be generating revenue by the end of the fiscal year" in June.

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Key Tronic expects March quarter revenue in the range of \$49 million to \$51 million. Said Oehlke, "In the second half of fiscal 2008, we expect increased revenue and earnings, as well as some improvement in our gross margins."