

Blue Bird Corp

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School bus manufacturer Blue Bird beats Wall Street's 1Q estimates on higher pricing

School bus manufacturer Blue Bird Corp (NASDAQ:BLBD) saw its net loss shrink in its fiscal first quarter and beat Wall Street's profit and revenue estimates after adopting higher pricing to offset a jump in commodity costs.

In the three months ended December 29, the company posted a net loss of \$1.2 million, which represented an improvement of \$6.6 million compared with the year-ago period. On an adjusted basis, its earnings came in at \$0.05 per share on revenue of \$154.9 million.

In response to the results, Matt Koranda, an analyst with Roth Capital Partners, reiterated his Buy rating and raised his price target on the stock to \$23 from \$22.

"We see encouraging signs that BLBD is on track to fulfill FY'19 guidance," Koranda wrote in a note to investors.

READ: School bus manufacturer Blue Bird tops 4Q revenue estimates despite rising steel costs

The results handily beat the estimates of Wall Street analysts who had predicted Blue Bird would earn a loss of \$0.03 per share on sales of \$154.15 million.

Blue Bird shares held steady in morning trade on Thursday, rising by just 0.77% to hit \$20.20.

In a statement, CEO Phil Horlock suggested that the company's move to put in place higher prices to offset increasing commodities costs rescued the quarter.

"Maintaining first-quarter profitability at about last year's level, despite significantly higher steel-led commodity prices and lower volume, was a key objective, and we delivered," he said. "The pricing actions we took to offset rapidly-increasing commodity costs late in fiscal year 2018 have taken hold as expected, resulting in a 3% increase in net revenue per school bus in the first quarter, compared with last year."

Looking ahead, the company expects full-year revenue of \$990 million to \$1.025 billion.

Headquartered in Macon, Georgia, Blue Bird says it has more than 180,000 buses in operation.

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Price: 14.35

Market Cap: \$387.84 m

1 Year Share Price Graph



May 2019 November 2019 May 2020

Share Information

Code: BLBD

Listing: NASDAQ

52 week	High	Low
	23.97	8.46

Sector: Software & services

Website: investors.blue-bird.com

Company Synopsis:

Blue Bird Corporation (NASDAQ:BLBD) designs, engineers, manufactures, and sells school buses and aftermarket parts in the United States, Canada, and internationally.

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