

HD A-Mark Precious Metals, Inc. A-Mark Precious Metals Reports Fiscal Third Quarter 2014 Results

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2014 MAY 31 (VerticalNews) -- By a News Reporter-Staff News Editor at Investment Weekly News -- A-Mark Precious Metals, Inc. (NASDAQ: AMRK), a full-service precious metals trading **company**, reported results for its fiscal third quarter and nine months ended March 31, 2014. Fiscal Q3 2014 Highlights Revenue totaled \$1.58 **billion**

Gross profit was \$7.5 **million**

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Net income totaled to \$2.1 **million**

Physical silver ounce transaction volumes up 10% year-over-year Fiscal Q3 2014 Financial Results Revenue was \$1.58 **billion**, a decrease of 14% from \$1.83 **billion** in the same year-ago quarter. The decrease was primarily due to the decline in the commodity price for **gold**, as well as a decrease in the volume of **gold** ounces sold, partially offset by an increase in the volume of silver ounces sold during the period.

Gross profit was \$7.5 **million** (0.48% of revenue) compared to \$7.6 **million** (0.41% of revenue) in the same year-ago quarter. The gross margin improvement reflects increased demand for A-Mark's value-added products like the Gairsoppa exclusive, as well as other specialized offerings, including storage and logistics services.

General and administrative (G&A) expenses increased to \$4.4 **million** from \$4.0 **million** in the same year-ago quarter. The increase was due to higher administrative expenses incurred as a public **company**, as well as costs associated with the retention of addition key personnel hired to grow the **company's** European presence, and launch its mine off take product offering.

Net income totaled \$2.1 **million** or \$0.28 per diluted share compared \$2.6 **million** or \$0.34 per diluted share in the same year-ago quarter. The decrease was primarily due to the increase in general and administrative costs. First Nine Months of Fiscal 2014 Financial Results Revenue for the nine months ended March 31, 2014 was \$4.57 **billion**, an 11% decrease from \$5.15 **billion** in the same year-ago period. The decrease was mainly due to the decline in the commodity price for **gold**, as well as a decrease in the volume of **gold** ounces sold, partially offset by an increase in the volume of silver ounces sold.

Gross profit was \$22.4 **million** (0.49% of revenue), an increase of 19% from \$18.8 **million** (0.37% of revenue) in the same year-ago period. The increase in gross profit and gross margin reflects the increased demand for value-added products, and sales of higher margin unique bullion products to distributors for marketing to the retail public.

General and administrative (G&A) expenses increased to \$12.5 **million** from \$10.1 **million** in the same year-ago period. The increase was due to higher administrative expenses since becoming public, as well as a one-time \$700,000 favorable adjustment in the prior period.

Net income totaled \$6.7 **million** or \$0.87 per diluted share compared \$6.8 **million** or \$0.86 per diluted share in the same year-ago period. The increase in diluted earnings per share was due to the retirement of shares in the current nine month period. Management Commentary "While revenue in the our third quarter followed the decline in **gold** commodity prices and ounce volumes, we realized a 16% gain in gross margins driven by increased sales of our value-added precious metal products like the exclusive

Gairsoppa program," said Greg Roberts, A-Mark's CEO. "Overall, our performance demonstrated our ability to mitigate the effect of short-term fluctuations in commodity prices and deliver favorable gross margins.

"Consumer demand for our value-added products continues to underscore the opportunity for us to further enhance profitability by leveraging our longstanding relationships with the largest sovereign mints. In step with this, we've expanded our value-added products pipeline to more than 25 programs, up from 14 programs a year ago.

"Our recently expanded sales team has been actively selling new turn-key service offerings to our existing customer base, including finance, storage and delivery solutions. We expect these complementary services to help increase overall customer retention and drive incremental revenue." Conference Call A-Mark will hold a conference call later today (May 12, 2014) to discuss these financial results. The **company's** CEO, Greg Roberts, and executive vice president and COO, Thor Gjerdrum, will host the call starting at 4:30 p.m. Eastern time. A question and answer session will follow management's presentation.

To participate, please dial the appropriate number at least five minutes prior to the start time and ask for the A-Mark Precious Metals conference call.

U.S. dial-in number: (877) 941-2068 International number: (480) 629-9712 Conference ID: 4682012

The conference call will be broadcast simultaneously and available for replay via the Investor Information section of A-Mark's website at www.amark.com. For the webcast, please access the link at least 15 minutes prior the call in order to register and install any necessary audio software. If you have any difficulty connecting with the conference call or webcast, please contact Liolios Group at (949) 574-3860.

A replay of the call will be available after 7:30 p.m. Eastern time on the same day through May 26, 2014.

Toll-free replay number: (877) 870-5176 International replay number: (858) 384-5517 Conference ID: 4682012 About A-Mark Precious Metals A-Mark Precious Metals, Inc. is a full-service precious metals trading **company** and an official distributor for many government mints throughout the world. The **company** offers **gold**, silver, platinum and palladium in the form of bars, plates, powder, wafers, grain, ingots and coins. Its Industrial unit services manufacturers and fabricators of products utilizing or incorporating precious metals, while its Coin & Bar unit deals in over 200 coin and bar products in a variety of weights, shapes and sizes for distribution to dealers and other qualified purchasers. The **company** operates trading centers in Santa Monica, California, and Vienna, Austria, for buying and selling precious metals.

In addition to wholesale and trading activity, A-Mark offers customers a variety of services, including financing, consignment and various customized financial programs. As a U.S. Mint-authorized purchaser of **gold**, silver and platinum coins, A-Mark purchases bullion products directly from the U.S. Mint for **sale** to customers. A-Mark also has distributorships with other sovereign mints, including in Australia, Austria, Canada, **China**, Mexico and South Africa. Customers of A-Mark include mints, manufacturers and fabricators, refiners, coin and metal dealers, banks and other financial institutions, jewelers, investors and collectors. For more information about A-Mark Precious Metals, visit www.amark.com.

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