

SanDisk CEO to retire; 2Q profit jumps

The Associated Press

The CEO of flash memory card maker SanDisk Corp. plans to retire this year, the company said Thursday as it reported a surge in quarterly earnings.

SanDisk said Eli Harari, who founded the company and serves as both its chairman and CEO, will step down Dec. 31. Chief Operating Officer Sanjay Mehrotra will become CEO and board member Michael Marks, president of the private equity firm Riverwood Capital LLC, will take over as chairman.

The change appeared to unnerve investors, who sent SanDisk shares down 8 percent in extended trading.

SanDisk reported second-quarter results Thursday that surpassed Wall Street expectations.

The Milpitas, Calif., company earned \$257.9 million, or \$1.08 per share, nearly five times the \$52.5 million, or 23 cents per share, it earned a year ago. Revenue climbed 61 percent to \$1.18 billion as demand recovered from the recession.

Analysts surveyed by Thomson Reuters were expecting earnings of 90 cents per share on revenue of \$1.16 billion, on average.

SanDisk shares fell \$3.40 to \$39.50 in after-hours trading after closing the regular session up 2.3 percent to \$43.10.

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