

# OpenVoiceNews U.S.

Transparent. Unbiased. Yours.

## Harley-Davidson Eyes \$5 Billion Deal for Financial Arm Stake

July 29, 2025

— Categories: *Finance*



Download IPFS

Harley-Davidson Inc. (NYSE: HOG) is reportedly in advanced discussions to sell a stake in its financial services division as part of a deal valued at approximately \$5 billion. The potential transaction involves investment firms Pacific Investment Management Company (PIMCO) and KKR & Co. Inc. (NYSE: KKR) and would include Harley-Davidson's existing portfolio of motorcycle loans.

Harley-Davidson Financial Services (HDFS) plays a key role in the company's overall business operations. It supports Harley-Davidson dealerships with inventory financing and offers consumer loans for the purchase of both Harley-Davidson and LiveWire electric motorcycles. In addition, HDFS provides related services such as motorcycle insurance, extended service and protection plans, credit card offerings through the H-D™ Visa® Card, and Rider-to-Rider programs that assist with the resale of used motorcycles.

According to reports, talks between Harley-Davidson and the two investment firms are ongoing, and while a final agreement has not yet been reached, an announcement could come in the near term. If completed, the deal would represent a significant strategic shift, as it would allow Harley-Davidson to offload part of its financing risk while securing capital to reinvest or manage debt.

Investor response to the news was modest, with shares of Harley-Davidson rising by 0.9% in Tuesday's premarket trading. Despite this slight uptick, the stock has fallen over 21% year-to-date, reflecting broader challenges in the motorcycle industry and tighter consumer credit conditions. Current short interest in HOG shares stands at 10.3% of the total float, indicating notable bearish sentiment among some investors.

By potentially partnering with institutional firms like PIMCO and KKR, both known for large-scale asset management and private equity investments, Harley-Davidson appears to be positioning itself for greater financial flexibility. The move aligns with ongoing trends in corporate finance, where companies seek to unlock value from internal units while focusing on core manufacturing and brand growth.

Further details on the agreement, including the exact size of the stake and operational implications for HDFS, are expected if the negotiations conclude successfully in the coming weeks.