GE earnings rise 49 pct in 3Q; revenue up 3 pct.

JONATHAN FAHEY - AP Energy Writer - Associated Press

General Electric Co.'s net income rose 49 percent in the third quarter to $3.49 billion as its recovery from the 2008 financial crisis continues.

GE earned 33 cents per share in the quarter, up from 22 cents per share during the same period last year. Revenue rose $1 billion, or 3 percent, to $36.35 billion.

When adjusted to exclude certain pension costs and income from discontinued operations, GE posted earnings of 36 cents per share. That matched the expectations of analysts surveyed by FactSet.

Analysts were looking for slightly higher revenue of $36.95 billion. GE shares fell 35 cents, or 1.5 percent, to $22.46 in premarket trading.

During last year's third quarter the company repaid $3 billion to Warren Buffett's Berskshire Hathaway for its investment in GE during the depths of the financial crisis. Compared with last year's adjusted results, GE's earnings per share rose 13 percent.

General Electric Co., based in Fairfield, Conn., was shaken during the financial crisis when investors began to worry that its enormous banking arm, GE Capital, would fail. GE is now paring down GE Capital and other non-industrial businesses such as commercial real estate.

Instead, the company is focusing on its industrial operations such as manufacturing jet engines, refrigerators and providing equipment and services to energy companies.

GE's revenue from its industrial divisions rose 8 percent in the third quarter and is up 10 percent so far this year.

Orders for new equipment and services were down 5 percent compared with last year, mainly because wind turbine orders have fallen dramatically because a key U.S. federal subsidy for wind power is scheduled to expire at year end. Excluding the dip in wind turbine orders, the company's industrial orders were up 4 percent.

The company's energy infrastructure and transportation divisions posted the strongest growth. Energy infrastructure profits rose 13 percent and transportation profits rose 35 percent.

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