GE Profits Fall 44 Percent In 3Q

Stephen Manning, AP Business Writer

The continued woes at General Electric's big financial unit fueled a big drop in its third-quarter earnings, outweighing signs of improvement in its divisions that make heavy machinery and other industrial equipment, the company said Friday.

GE posted a 44-percent decline in profit to $2.4 billion, or 23 cents per share, hurt by much lower earnings at its GE Capital arm, which loans money to businesses ranging from credit cards to shopping centers.

GE divisions that build dishwashers, sonogram machines, locomotives and wind turbines posted a modest profit increase.

A year earlier, the Fairfield, Conn.-based company had earned $4.3 billion, or 43 cents a share.

Despite better industrial results in the latest quarter, GE's overall revenue fell 20 percent to $37.8 billion, a sign that the conglomerate still faces a long road to recovery. CEO Jeffrey Immelt described the current market as a "tough environment."

Shares of the company fell 44 cents, or 2.6 percent, to $16.35 in pre-market trade.

GE is relying on its industrial side to help it build back profits after a devastating recession. But it has struggled to overcome GE Capital's troubles, which include big losses from loans like credit cards, mortgages in the United Kingdom, and commercial real estate. The unit saw its profit fall 87 percent during the quarter.

GE is also reportedly trying to shed NBC Universal through a deal to sell the entertainment division to cable company Comcast Corp.

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