

# GE reports smaller loss, shares rise

28 October 2020



General Electric reported another quarterly loss but said it would be cashflow positive in 2021

General Electric reported a smaller quarterly loss Wednesday on lower revenues and a continued slump in aviation, but said it would be cashflow positive in 2021 following cost-cutting moves.

Shares of the industrial giant pushed higher in pre-market trading despite some negative points in the [earnings report](#), including a third-quarter drop in orders in all four of its business segments.

GE Chief Executive Larry Culp said the company had boosted [profit margins](#) in every segment except aviation when currency effects were stripped out.

"We are managing through a still-difficult environment with better operational execution across our businesses, and we are on track with our cost and cash actions," said Culp.

GE reported a loss of \$1.2 billion in the quarter, compared with a loss in the year-ago period of \$9.5 billion that was inflated by a one-time non-cash loss.

Revenues fell 17 percent to \$19.4 billion.

Demand for GE's products remains under pressure amid a [global economy](#) slowed by the coronavirus outbreak.

GE's aviation segment has been especially hard-hit due to a downturn in [airline travel](#) that is not expected to fully recover until there is a widely available vaccine for the virus.

But Culp has taken actions to improve GE's cash position and business performance, including reorganizing the power business, cutting \$2 billion in costs and announcing it was eliminating 13,000 jobs in the spring.

During the quarter, GE said it began to launch the world's largest offshore wind farm, won federal certification for a new fuel-efficient plane engine and introducing new health technology products.

Shares rose 6.2 percent to \$7.54 in pre-market trading.

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APA citation: GE reports smaller loss, shares rise (2020, October 28) retrieved 16 October 2021 from <https://techxplore.com/news/2020-10-ge-smaller-loss.html>

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