GE Net Rose 7% In Third Quarter On 2% Sales Drop

But Nine-Month Earnings Still Trailed 1974 by 14% As Revenue Slipped 1%

By a WALL STREET JOURNAL *Staff Reporter*

FAIRFIELD, Conn. - After two consecutive quarters of profit declines, General Electric Co. reported that third quarter net income rose 7% to $156.1 million, or 85 cents a share, despite a 2% drop in sales to $3.28 billion.

A year before, GE earned $145.3 million, or 80 cents a share, on sales of $3.35 billion.

In January, Reginald H. Jones, chairman and chief executive officer, forecast lower profit for the first half, but said he expected improvement to appear in the third quarter. First quarter earnings were off 39%, and second quarter earnings fell 13%.

For this year's first nine months, net income of $360.1 million, or $1.97 a share, was 14% under the 1974 period's $416.5 million, or $2.29 a share. Nine-month sales fell less than 1% to $9.63 billion from $9.68 billion a year before.

Profit from consumer goods in the third quarter topped that of a year earlier, Mr. Jones reported, "primarily as a result of continued emphasis on improving cost-price relationships." Sales of these products strengthened from earlier this year, but were below the volume of a year before.

Profit and sales of industrial power equipment increased from a year before, but Mr. Jones said results for all 1975 are still expected to trail 1974's.

He said industrial parts and systems operations showed lower sales and earnings, because continued weaknesses in consumer parts and construction materials offset gains in service and other operations.

Mr. Jones said sales and profit from aerospace operations continued to improve from 1974. However, while international operations had sales gains, profit there "failed to show a corresponding increase, because of somewhat lower export margins," he said.

Earnings of the General Electric Credit Corp. subsidiary climbed 25% in the third quarter, to $13.4 million from $10.7 million. In the nine months, the subsidiary's net climbed 24%, to $38.7 million from $31.1 million a year before.

GE said net income in the third quarter equaled 4.8% of sales, up from 4.3% a year before.

WSJ
10/7/75

GE Requests Dismissal Of Bid to Order a Halt To Pollutant Discharge

By a WALL STREET JOURNAL *Staff Reporter*

ALBANY, N.Y. - General Electric Co. asked that a proposed order that it eliminate discharges of pollutants into the Hudson River be dismissed, because the amount discharged doesn't violate state law.

At a hearing on the matter, GE said its plants at Fort Edward and Hudson Falls have been discharging a type of polychlorinated biphenyl into the river for two or three years that isn't as damaging as other varieties of the organic chemical. A lawyer for the company said PCB discharges from the GE plants don't have toxic effects on fish and humans as do the other types.

The state Environmental Conservation Department issued a formal complaint against GE Sept. 7, alleging the company may have done irreparable damage to the Hudson River by discharging pollutants into it for more than 20 years. Elimination of all discharges by Sept. 30, 1976, is asked.

At the hearing, the state department said it intends to demonstrate that GE has been dumping amounts of PCBs that harm fish and humans and that are in excess of state and federal regulations.

MONS 032467