

## Motorola Mobility 3Q net loss narrows

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(AP) -- Motorola Mobility, which makes cellphones and cable set-top boxes, reported a smaller loss in the latest quarter as phone shipments rose by a quarter from a year ago.

Motorola Mobility Holdings Inc. said Thursday that it had a net loss of \$32 million, or 11 cents per share, in the third quarter, which ended Oct. 1. That compares with a loss of \$34 million a year ago, when the company was still part of Motorola Inc. Motorola split into two companies in January.

The quarter is likely to be one of the company's last on its own. Google Inc. is expected to acquire Motorola Mobility early next year. The search leader's \$12.5 billion acquisition offer is undergoing an extensive review by the U.S. Justice Department. Motorola said Thursday that its shareholders will vote on the deal in a Nov. 17 meeting.

Excluding one-time items, the company earned 12 cents per share. This is double what analysts polled by FactSet expected.

Revenue rose 11 percent to \$3.3 billion, slightly lower than analyst estimates. The bulk of this came from phone revenue, which rose 20 percent to \$2.4 billion.

The Libertyville, Ill.-based company shipped 11.6 million phones during the quarter, 4.8 million of them smartphones. That compares with 9.1 million phones, including 3.8 million smartphones, a year ago.

Motorola has not been able to bring to market a cellphone that comes close to matching the popularity of the Razr cellphone, which it rolled out in 2004. In recent years it has been able to reposition itself as a maker of smartphones that use Google's Android operating software, with some success. Still, its smartphone sales pale compared with that of Apple's iPhone. Apple sold 17.1 million iPhones in its most recent quarter. And Motorola faces many more competitors as well, such as Samsung Electronics Co.

It's also playing catch-up along with many other electronics manufacturers in the tablet computer market, where Apple's iPad reigns supreme. Motorola's Xoom launched in February and is one of the more high-profile competitors. The company said it shipped 100,000 of them during the latest period. But this is just a tiny fraction of the 11 million iPads Apple sold in its latest quarter.

In Motorola's home business, which includes cable set-top boxes, revenue fell 10 percent to \$825 million. The company said shipments of set-top boxes fell 3 percent from last year.

Motorola did not say what it's expecting for the current quarter, but in its last quarterly report the company predicted adjusted earnings of 48 cents to 60 cents per share for the full year, which implied adjusted fourth-quarter earnings of 37 cents per share to 59 cents per share.

Analysts are hoping for 44 cents per share.

Motorola shares rose 2 cents to \$39.04 in after-hours trading after the release of results Thursday. The stock had finished regular trading up 12 cents at \$39.02.

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