

## **GM delays quarterly report, to restate past results**

By Shawn Lanalois. [MarketWatch](#)

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SAN FRANCISCO (MarketWatch) --General Motors said Thursday It will delay Its fourth-quarter and year-end earnings report, which was originally slated to come out next week, and again restate several years of financial results.

The world's biggest car maker said the move was needed to correct accounting errors, most made before 2002, that led to the company understating its deferred tax liabilities by \$450 million to \$600 million from late 2001 through the third quarter of 2006

The company said the errors do not impact cash flow or previously reported cash balances.

GM said it hopes to have further information on this matter by the week of Feb 5 and expects to refile its 2006 annual results before the March 1 deadline.

GM did say, however, that revenue and profit in the fourth-quarter of 2006 are expected to show marked improvement from year-ago results GM also said it ended the year with a better liquidity position with \$26.4 billion in cash and equivalents

It remains to be seen if GM's optimistic take on the recently completed quarter will be enough to soothe investors who may be growing more jittery with the succession of GM restatements over the past two years

"We could see a knee-jerk reaction here tomorrow," said David Silver, analyst at Wall Street Strategies. "This will only really impact previous earnings and doesn't have effect on what we'll see when they do report; and that's a restructuring that's done amazingly well."

In November 2005, GM shares took a beating after the automaker said it overstated 2001 profit by as much as \$400 million.

Then in March of 2006, the stock fell after GM said it would restate results for its GMAC financing arm from 2003 through the third quarter of 2005.

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