

Google Shares Dive Despite Earnings Beat

by: SA Editor Eli Hoffmann January 21, 2010

Google's (GOOG) Q4 EPS of \$6.79 beat consensus estimates by \$0.29. Revenue of \$4.95B was in-line. "Given that the global economy is still in the early days of recovery, this was an extraordinary end to the year," CEO Eric Schmidt said.

Despite the healthy beat, Google shares are down more than 5% after-hours, after a rough day in the markets. Some companies need to do more than just beat, as Goldman (GS) proved earlier today.

One analyst was unconcerned with the sharp drop in Google's share price:

I'm not concerned about the stock going down. People are certainly not seeing a turnaround in Internet spending, per se, and in search. But I expect Google to dominate search. We see they are pulling away even more from the pack, which includes Microsoft and Yahoo. Some people may have expected a bit more of a turnaround going into 2010, but our expectations are they will continue to do well and be the leader in terms of return on investment, and performing against their competitors. I'm not concerned if people are selling or are not overwhelmed by the results. - **Laxmi Poruri, Primary Global**

[Highlights from Google's [Q4 earnings press release...](#)]