# UPDATE 2-Tesla reports wider loss, more Model S production

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Nov 5 (Reuters) - Tesla Motors Inc reported a bigger third-quarter loss on Monday as it ramped up production of its Model S sedan, and the electric carmaker maintained its 2012 revenue outlook.

Shares of Tesla were up 4.1 percent at $30.10 in trading before the market opened.

The company said in a letter to shareholders posted on its website that weekly Model S production had risen to 100 cars by the end of the quarter and was now up to 200. By December, it will be making 400 cars per week, Tesla said.

That would be an increase from only five cars per week in early July, Tesla said.

Tesla said its third-quarter loss had widened to $110.8 million, or $1.05 per share, from $65.1 million, or 63 cents per share, a year earlier.

Excluding special items, mainly stock-based compensation expenses, Tesla reported a loss of 92 cents per share, compared with analysts’ expectations of a loss of 90 cents, according to Thomson Reuters I/B/E/S.

Revenue came to $50 million, up 16 percent from a year earlier and up 88 percent from the previous quarter. Analysts had expected $48.3 million.

Palo Alto, California-based Tesla maintained its 2012 revenue outlook of between $400 million and $440 million. In late September, the company had cut its previous forecast of $560 million to $600 million due to a slower-than-anticipated rollout of its key product, the Model S.

The company ended the quarter with $109 million in cash. After the quarter ended, Tesla raised $222 million, bringing its total available cash to $330 million.

Gross margin for the quarter was a negative 17 percent, due to costs associated with launching Model S sales and of spreading the expense of running the company’s factory in Fremont, California, over a small number of cars produced.

That margin will rise by the end of this year to half of the company’s target of 25 percent, Tesla said in its letter to shareholders.