

Samsung Electronics posts 'outstanding' Q2 results

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A Samsung Electronics' watch-shaped mobile phone. The world's leading computer memory chipmaker, said Friday it had achieved "outstanding" second-quarter results due to a recovery in prices and demand

Samsung Electronics Co., the world's leading computer memory chipmaker, on Friday posted what it called "outstanding" second-quarter results due to a recovery in prices and demand.

For the three months to June, it recorded a [net profit](#) of 2.25 trillion won (1.8 billion dollars), up 65.6 percent from the previous quarter's 619 billion won. It is also up 5.2 percent year-on-year.

Samsung, which is also the world's largest flat-screen television maker and the second largest mobile phone producer, said it achieved strong revenue growth and profit despite continued uncertainty in the global market.

The sustained recovery was supported by renewed demand for premium consumer electronics and improved pricing for memory semiconductors and [LCD panels](#), it said.

Shares of [Samsung Electronics](#) rose 0.7 percent to 683,000 won on the news.

"Samsung achieved outstanding results in the second quarter with our consumer electronics business remaining strong and a solid performance in the still challenging components market," Robert Yi, head of Samsung's investor relations team, said in a statement.

Sales rose to 32.51 trillion won from 29.1 trillion won a year earlier.

But he cautioned that operating profit -- which rose to 2.52 trillion won in the second quarter, from 2.4 trillion won a year earlier -- may be pressured by competition and the appreciation of the won.

Onlookers said the gains were likely to carry on.

"Samsung's performance was better than expected. It will continue to post strong earnings in the second half," Daewoo Securities analyst James Song told AFP.

He said Samsung would expand its global market share in the mobile phone sector.

Through increased spending, the company vowed to reinforce its

technological edge while seeking further efficiency to maintain its market leadership.

Samsung's key business lines showed better performance during the April-June period, with its semiconductor business returning to profit as industry-wide output cuts drove up microchip prices.

It said semiconductor sales rose 7.2 percent year-on-year to 6.14 trillion won in the three months to June. The firm forecast continued improvement in demand but said increased supply could have a dampening effect on prices.

Growing demand for flat-screen TVs and computers also helped its LCD division return to the black and post an operating profit of 150 billion won, although revenue fell 8.1 percent year-on-year to 5.1 trillion won.

The telecoms divisions, mostly mobile phones, registered an [operating profit](#) of one trillion won, maintaining a 10 percent margin. Revenue reached 10.04 trillion won, a 27.4 percent increase year-on-year.

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