

Samsung Group to invest record \$41.56 bln this year

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South Korea's Samsung Group announced it would invest a record 47.8 trillion won (\$41.56 billion) this year and hire an all-time high of 26,000 new employees despite global economic gloom.

The country's largest conglomerate on Tuesday said in a statement that despite the worldwide uncertainty it wants to expand future growth engines and contribute to the [national economy](#).

This year's planned investment is a 12 percent increase on 42.8 trillion won spent in 2011. The figure for new job creation, up four percent

from 2011, is also a record.

The group said it would invest 31 trillion won in facilities, up 11 percent from last year; spend 13.6 trillion won on research and development, up 13 percent; and spend 3.2 trillion on capital investment, up 10 percent.

"We will make large investments in our core businesses as well as new business sectors," said the group whose flagship is Samsung Electronics, the world's largest technology company by sales.

The [electronics firm](#) has already announced plans for a sharp rise in investment in new business areas. Its mainstay businesses -- [memory chips](#) and [liquid crystal displays](#) -- have been buffeted by the lacklustre [world economy](#).



The Galaxy Note smartphone is displayed at the Samsung booth at the 2012 International Consumer Electronics Show in Las Vegas, Nevada, on January 10. Samsung Electronics said this month it expects a record operating profit in the fourth quarter of 2011 of 5.2 trillion won (\$4.5 billion), up 73 percent year-on-year thanks mainly to strong smartphone sales.

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The group is made up of some 66 affiliates, with businesses ranging from electronics to finance and insurance.

South Korea's family-owned conglomerates have vowed to increase capital spending and hire more staff this year even though the export-dominated economy faces fallout from the eurozone debt crisis and sluggish world growth.

The 30 largest business groups promised last Friday to spend a combined 151.4 trillion won this year and hire 123,000 new workers.

President Lee Myung-Bak, whose single five-year term ends in February 2013, has prioritised job creation efforts and the fight against inflation.

The government last month cut its economic growth forecasts for 2011 and this year because of the eurozone [debt crisis](#) and the slowdown in developed nations.

The finance ministry said it now expects Asia's fourth largest economy to grow 3.8 percent in 2011 and 3.7 percent in 2012 -- sharply lower than its previous forecast of 4.5 percent for both years.

Samsung's investment plan helped boost the stock market, which was up 1.4 percent in early trading.

"Samsung Group's higher investment plan for the year is buoying investor sentiment, while pushing up shares of related parts companies,"

Bae Sung-Young, an analyst at Hyundai Securities, told Dow Jones Newswires.

[Samsung Electronics](#) was up 1.5 percent at 1,045,000 won about 40 minutes after the market opened and Samsung SDI rose also rose 1.5 percent to 131,500.

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