

LG Electronics returns to profit on mobiles, TVs

April 25 2012, By YOUKYUNG LEE , AP Technology Writer



LG Electronics 3D Smart TVs are displayed at a Yongsan Electronic shop in Seoul, South Korea, Wednesday, April 25, 2012. LG Electronics Inc. posted its first profit in three quarters, beating expectations thanks to a revival in its mobile business and demand for high-end TVs. (AP Photo/Ahn Young-joon)

(AP) -- LG Electronics Inc. posted its first profit in three quarters, beating expectations thanks to a revival in its mobile business and demand for high-end TVs.

The South Korean company Wednesday reported net profit of 243 billion won (\$215 million) for the January-March period. It had a loss of 15.8 billion won a year earlier.

Overall sales fell 7 percent from a year earlier to 12.2 trillion won but increased smartphone sales and strong demand for premium TVs in its

home market shored up LG's earnings.

The company's quarterly operating profit more than tripled from a year earlier to 448 billion won, beating a market consensus of 395 billion won.

LG Electronics, whose handset business lost 286 billion won in 2011, is slowly regaining competitiveness with the introduction of its Optimus series of smartphones and by allocating more resources to lucrative high-end phones.

Its mobile communication business, which includes handsets, lost money for six straight quarters between April 2010 and September 2011, while its hometown rival [Samsung Electronics](#) Co. quickly played catch up with Apple Inc.

In the first three months of this year, LG's handset business posted a 35.2 billion won operating profit, a big improvement from a loss of 101 billion won a year earlier.

Despite tepid TV demand in Europe and other developed countries, LG's TV-making unit posted an [operating profit](#) that nearly doubled from a year earlier. The improvement was largely driven by [strong sales](#) of its premium 3-D TVs in South Korea, the company said.

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