

# **LG Electronics says 2Q profit more than doubled (Update)**

July 23 2014, by Youkyung Lee

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(AP)—LG Electronics Inc. said Thursday its quarterly profit more than doubled as its mobile division ended three quarters of losses.

The South Korean consumer electronics company said its net income for the April-June quarter was 411.8 billion won (\$400 million), compared with 155.5 billion won a year earlier.

The figure was more than a fourfold increase from the first quarter and also beat expectations. Analysts polled by financial data provider FactSet forecast 300.9 billion won income.

Operating profit rose 27 percent to 606.2 billion won while sales inched up 1 percent to 15.4 trillion won.

LG said its mobile division became profitable for the first time in a year thanks to strong sales of its flagship G3 smartphones and cheaper L-series smartphones in North America.

It sold a record-high 14.5 million smartphones during the latest quarter. About one third of those smartphone were devices that run on the advanced wireless networks known as LTE, which were more profitable for the handset maker.

LG brought forward the global release dates of its new phones as part of efforts to turnaround the performance of its smartphone business.

The G3 smartphone, the successor to the G2, was launched in South Korea at the end of May. Four major mobile carriers in the U.S. began selling the Android-based smartphone last week after its rollout in Asia, Europe and Latin America.

The company also expanded its lineup of cheaper phones as well as its high-end handset models such as the G-Pro smartphone series that features a giant screen.

LG Electronics tried to differentiate its products from those of Apple Inc. and Samsung Electronics Co., which capture most of the profit in the global smartphone markets.

The G3 featured a 5.5-inch display screen that packs more pixels per inch than other leading phones. LG also introduced some design changes in its mobile devices to get noticed from consumers, such as moving the power and volume buttons to the back of the phones.

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