

Samsung's mobile chief keeps his job despite profits dive

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Samsung says the head of its faltering mobile business will keep his job despite an alarming decline in profits, as the electronics giant announces a year-end personnel reshuffle

Samsung said Monday the head of its faltering mobile business would keep his job despite an alarming decline in profits, as the electronics giant announced a year-end personnel reshuffle.

A number of leading executives were moved or promoted, but the three co-CEOs of Samsung Electronics all retained their posts, including J.K. Shin, components unit chief Kwon Oh-Hyun and the head of the consumer electronics division B.K. Yoon.

Shin's position had been seen as particularly vulnerable, as the mobile unit that was responsible for Samsung's extraordinary run of record profits in recent years was also behind the slump in the past two quarters.

Shin "made many contributions in making Samsung Electronics the world's top mobile handset maker", Samsung Group spokesman Lee June told reporters.

"We believe he would have a chance to help (Samsung) make another jump in this changing environment in the future," Lee said.

Shin, 58, has led Samsung Electronics' mobile unit since 2012 and played a key role in the South Korean giant's rise to become the world's top smartphone maker.

But the firm recently saw profits squeezed by escalating competition with Apple's iPhones in the high-end market and cheap handsets of Chinese rivals like Xiaomi in the low-end segment.

Samsung posted a 50-percent drop in third-quarter net profit, following a 20 percent drop in the previous quarter.

The net profit for the July-September period was the lowest for nearly three years.

Samsung produces a range of products from handsets to memory chips and TVs but the mobile business comprises the lion's share of its overall sales.

The family-run company is currently embarking on a major restructuring programme ahead of a generational ownership succession.

Last week it announced the \$1.7 billion sale of stakes in four affiliates and a \$2.0 billion share buyback.

Samsung's share price has tumbled more than 10 percent this year as growth in the key smartphone business begins to lose steam.

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