

LG profit sinks as smartphone business suffers loss

29 October 2015, by Youkyung Lee

LG Electronics said Thursday its mobile communications division suffered its first operating loss in more than a year, dragging down the company's overall earnings for the third quarter.

The [mobile business](#) lost 77.6 billion won (\$68 million) for the July-September quarter. The South Korean company's overall net income sank 48 percent over a year earlier to 83.7 billion won, far below the 146.5 billion won forecast in survey of analyst by financial data provider FactSet.

LG said it shipped 15 million smartphones during the quarter but its smartphones could not command high prices. The company said its mobile business will likely improve its performance during the [current quarter](#) as it began sales of the V10 smartphone and the Nexus 5X smartphone.

LG's TV business turned profitable for the first time in three quarters.

Its home appliance business, which makes washing machines and refrigerators, contributed more than 80 percent of overall profit.

Sales fell 5 percent to 14 trillion won. Operating profit slumped 37 percent to 294 billion won.

© 2015 The Associated Press. All rights reserved.

APA citation: LG profit sinks as smartphone business suffers loss (2015, October 29) retrieved 24 June 2021 from <https://phys.org/news/2015-10-lg-profit-smartphone-business-loss.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.