Samsung boosts profits and pledges to ‘mainstream’ foldables

Samsung Electronics has released its second-quarter earnings, reporting 20 percent higher revenue and 54 percent higher operating profit year-on-year despite its mobile division taking a hit due to component shortages. The company made an operating profit of 12.57 trillion won (~$10.97 billion) off 63.67 trillion won (~$55.56 billion) in revenue.

Samsung says its mobile business suffered from the industry-wide component shortage as well as “production disruptions” in its Vietnam factories, some of which were closed after a COVID outbreak. Combined with weak seasonality resulting in less demand, revenue declined from the previous quarter, though it was still up year-on-year.

The semiconductor business continues to be Samsung’s biggest financial driver, contributing more than a third of the company’s revenue and more than half of its profits for the quarter. Samsung says memory demand and price increases were higher than previously forecast, though mobile memory sales were impacted by the same issues as seen by the smartphone division.

Looking forward to the rest of the year, Samsung says it will “solidify its leadership in the premium [smartphone] segment by mainstreaming the foldable category,” while the display division confirmed it’s working on under-screen camera technology. Samsung has an event set for August 11th where it’s said it’ll announce new phones in the Galaxy Z Fold and Z Flip lines.

https://www.theverge.com/2021/7/28/22599306/samsung-q2-2021-earnings-component-shortage-foldables