

Samsung 1Q Profit Falls Short of Estimates

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For the second consecutive quarter, Samsung's profits [fell short](#) [1] of analyst



estimates.

Samsung Tuesday predicted its first quarter operating profit would come in at 8.4 trillion won (\$7.98 billion), falling just short of 8.5 trillion won (\$8.07 billion) analyst consensus, [according to Reuters](#) [2].

Operating profits fell well below the first-quarter record of \$8.26 billion Samsung set a year ago. The smartphone giant's first quarter revenue of 53 trillion won also fell short of the Street's 54.7 trillion won estimate.

When Samsung earlier in the year announced its fourth quarter numbers, it [warned](#) [3] of new products and intensified price competition driving weaker smartphone/tablet demand in the first quarter of its fiscal 2014.

With that prediction coming true, Samsung is under more pressure as the Friday release date nears for its new Galaxy S5.

Following an atypically low-key launch at Mobile World Congress for the OEM's new hero phone, the lukewarm reception greeted the slightly remodeled S5. Early reviews for the device have ranged from praise for its simplicity to malaise over its boring features.

Still, the S5's U.S. carrier partners could be lining the device up for a substantial launch. All of the major carriers are selling the phone but Verizon is standing out with its "buy one, get one free" offer for the S5.

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[1] <http://www.wirelessweek.com/news/2014/01/samsungs-4q-profit-hit-slowing-mobile-growth>

[2] <http://www.reuters.com/article/2014/04/08/us-samsung-earnings-guidance-idUSBREA3620W20140408>

[3] <http://blogs.barrons.com/techtraderdaily/2014/01/23/samsung-rising-q4-in-line-with-forecast-sees-weaker-q1-mobile-demand/>