

# Hynix records 4Q net profit as sales surge

The Associated Press

Hynix Semiconductor Inc. said Thursday it recorded a net profit in the fourth quarter of 2009 after a record loss the year before as sales surged and prices for its mainstay computer memory chips increased.

Hynix, the world's second-largest manufacturer of computer memory chips, earned 657 billion won (\$579.75 million) in the three months ended Dec. 31, the company said in a release. It reported a net loss of 1.67 trillion won a year earlier.

Sales on a consolidated basis during the quarter soared 85 percent to 2.8 trillion won from 1.51 trillion won the year before, Hynix said.

The result was the Icheon, South Korea-based company's second straight quarter of net profit. Hynix recorded its first net profit in two years for the third quarter as prices for memory chips rose amid a rapid recovery in the market.

Hynix is the world's second-largest manufacturer of DRAM chips, used mostly in personal computers, and ranks No. 3 in NAND flash memory chips, used in digital devices such as cameras and music players. It competes with world leader and South Korean rival Samsung Electronics Co. as well as Japan's Toshiba Corp.

Hynix said that average selling prices for its DRAM chips rose 26 percent from the third quarter and shipments increased 12 percent. NAND flash memory prices, however, fell 5 percent.

Mired in red ink, Hynix announced in December 2008 it would make massive cost cuts to free up cash to help fuel a recovery in its fortunes. It slashed the pay of top officials, executive positions, encouraged workers to quit voluntarily and made employees take two weeks of unpaid leave. It also received 800 billion won in fresh capital via loans from banks and through a share offering.

Shares in Hynix, which released earnings results before the stock opened, rose 1.6 percent to 25,800 won in morning trading Thursday. The shares more than tripled in 2009.

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