Samsung Aims to Topple Apple as No. 1 in Tablets

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SEOUL, South Korea (AP) — Samsung Electronics has a new goal after overtaking Apple in smartphones: it wants to be world No. 1 in tablet computers too.

A top executive, Shin Jong-kyun, told analysts on Wednesday that Samsung's tablet business is growing rapidly and the company will become the biggest maker of tablet computers. He didn't give a timeframe.

Shin says Samsung's tablet sales will exceed 40 million units this year, more than double sales in 2012.

"Samsung tablet shipments started to grow remarkably since the second half of last year," he says.

Research group IDC estimates that Samsung sold 16.6 million tablets in 2012, lagging far behind Apple Inc. which sold 65.7 million iPads.

But Samsung is on the rise, capturing 20 percent market share in the July-September quarter while Apple, which led the commercialization of tablet computing, fell to 30 percent.

Apple previously had more than half of the global tablet market but its dominance has eroded as Samsung boosted sales with cheaper Galaxy Tab computers that offer many different screen sizes.

The same trend has already played out in smartphones. Apple transformed the mobile phone industry when it started selling the iPhone in 2007 but its success was quickly imitated and Samsung's smartphone shipments surpassed Apple's iPhone sales in 2011. The following year, the South Korean company became the largest supplier of mobile handsets overall, surpassing Nokia.

Shin's speech was part of Samsung's first event tailored for analysts and investors since 2005 as the South Korean company tries to boost its share price, which has flagged despite a string of record profits.

Responding to pressure to increase returns to investors, Chief Financial Officer Lee Sang-hoon said Samsung plans to double its dividend this year to the equivalent of 1 percent of the average price of its common shares.

Samsung also says it plans to adopt outside technologies and hire talent through aggressive acquisitions.

Kwon Oh-hyun, the company's vice chairman, says Samsung wants to be the top medical device maker through acquiring companies and developing its own technologies. In the last three years, Samsung spent $1 billion to buy 14 companies in medical equipment, mobile software and services.

The event failed to boost investor confidence immediately. Shares of Samsung closed 2.3 percent lower in Seoul.

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