

**FOR IMMEDIATE RELEASE****LG ANNOUNCES FOURTH-QUARTER AND  
FULL-YEAR 2012 FINANCIAL RESULTS**

*All Business Units Report Improved 2012 Operating Income from Previous Year*

**SEOUL, Jan. 30, 2013** – LG Electronics Inc. (LG) today announced consolidated revenues of KRW 50.96 trillion (USD 45.22 billion) and a net profit of KRW 91 billion (USD 80.75 million) for full-year 2012. Despite a 6 percent revenue decrease from 2011, operating profits increased significantly in 2012 to KRW 1.14 trillion (USD 1.01 billion) from KRW 379 billion (USD 342.06 million) in full-year 2011.

Fourth quarter 2012 consolidated revenues were KRW 13.50 trillion (USD 12.37 billion) with an operating profit of KRW 107 billion (USD 98.08 million). Unaudited consolidated financial results for the fourth quarter ending Dec. 31, 2012 showed a net loss of KRW 468 billion (USD 428.96 million) which reflects a fine related to alleged cathode-ray tube pricing issues imposed by the European Commission in December.

*The LG Home Entertainment Company* reported record sales of flat-panel TVs with 9.3 million units in the fourth quarter resulting in a 17.4 percent revenue increase quarter-on-quarter to KRW 6.44 trillion (USD 5.91 billion) and full-year operating profit of KRW 542 billion (USD 480.92 million). Revenues from 3D and Smart TVs increased with higher unit sales in the United States, Europe and CIS countries. Although the Home Entertainment Company had the strongest quarter of the year in terms of revenue, profitability declined somewhat due to lower average selling prices and increased competition. LG will continue to aggressively market 3D and Smart TVs and plans to expand its share of the premium TV segment in 2013 with Ultra HD TVs and OLED TVs.

*The LG Mobile Communications Company* reported a 7 percent unit increase quarter-on-quarter in mobile handset shipments to 15.4 million with more than half of the units coming from smartphones. Smartphone shipments grew 23 percent compared to the previous

quarter, increasing to 8.6 million devices from the 7 million in the third quarter. Fourth quarter revenues were the highest of the year, growing 15 percent to KRW 2.81 trillion (USD 2.58 billion) quarter-on-quarter. Sales of premium LTE smartphones such as Optimus G and Vu:2 increased in the fourth quarter, as did the L-series and Google Nexus 4. With more European and emerging markets introducing LTE services this year, LG plans to increase smartphone revenues and market share by launching follow-up devices to Optimus G and the L-series as well as the new F-series.

*The LG Home Appliance Company* posted almost flat revenues year-on-year, with sales of KRW 2.94 trillion (USD 2.7 billion) in the fourth quarter as strong sales in the U.S. and CIS countries were largely offset by sluggish demand in Europe, the Middle East and Latin America. Profitability was affected by unfavorable foreign exchange rates and increased marketing investments, even though average selling prices for home appliance products rose in the fourth quarter. The company plans to improve its revenue and profitability in 2013 with more competitive products, advanced technologies and a stronger focus on profitable regions.

*The LG Air Conditioning & Energy Solutions Company* reported sales of KRW 683 billion (USD 626 million) in the fourth quarter, essentially unchanged year-on-year. An operating loss of KRW 11 billion (USD 10.08 million) in the quarter showed improvement from the same period last year due to operational efficiencies. For full-year 2012, the company recorded revenues of KRW 4.35 trillion (USD 3.86 billion) and operating profit of KRW 156 billion (USD 138.42 million). The priority in 2013 will be to introduce more energy-efficient and localized products to bolster revenue growth.

### ***2013 Business Direction***

For 2012, LG Electronics is targeting a revenue goal of KRW 53.5 trillion with plans to spend KRW 2.5 trillion in capital expenditures.

***2012 4Q Exchange Rates Explained***

Starting from the fourth quarter of 2012, the Company has modified its disclosure of operating profit or loss in accordance with the newly issued Amendments to Korea-International Financial Reporting Standards (K-IFRS) 1001 “Presentation of Financial Statements.” Due to this change, the Company has also reclassified comparative financial data in accordance with the new disclosure requirement. Amounts in Korean won (KRW) are converted into U.S. dollars (USD) at the average rate of the three month period in each corresponding quarter: KRW 1,091 per USD (2012 4Q) and KRW 1,146 per USD (2011 4Q). Average rate of the twelve-month period in 2012 was KRW 1,127 per USD.

***Earnings Conference and Conference Call***

LG Electronics will hold a Korean-language earnings news conference on Jan. 30, 2013 at 16:30 Korea Standard Time at the LG Twin Tower Auditorium (B1 East Tower, 20 Yeouido-dong, Yeongdeungpo-gu, Seoul, Korea). An English language conference call will follow on Jan. 31, 2013 at 10:00 Korea Standard Time (01:00 GMT/UTC). Participants are instructed to call +82 31 810 3069 and enter the passcode 9084#. The corresponding presentation file will be available for download at the LG Electronics website ([www.lg.com/global/ir/reports/earning-release.jsp](http://www.lg.com/global/ir/reports/earning-release.jsp)) at 13:00 on Jan. 30, 2013. Please visit <http://pin.teletogogether.com/eng/> and pre-register with the passcode provided. For those unable to participate, an audio recording of the news conference will be available for a period of 30 days after the conclusion of the call. To access the recording, dial +82 31 931 3100 and enter the passcode 142680# when prompted.

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**About LG Electronics, Inc.**

LG Electronics, Inc. (KSE: 066570.KS) is a global leader and technology innovator in consumer electronics, mobile communications and home appliances, employing more than 93,000 people working in over 120 operations around the world. With 2012 global sales of KRW 50.96 trillion (USD 45.22 billion), LG comprises four business units – Home Entertainment, Mobile Communications, Home Appliance, and Air Conditioning & Energy Solutions. LG is one of the world's leading producers of flat panel TVs, mobile devices, air conditioners, washing machines and refrigerators. For more information, please visit [www.LGnewsroom.com](http://www.LGnewsroom.com).

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