

**LG Electronics Inc.**  
**Non-Consolidated Balance Sheets**  
**December 31, 2006 and 2005**

*(in millions of Korean won)*

	2006	2005
<b>Assets</b>		
Current assets		
Cash and cash equivalents (Note 5)	₩ 490,315	₩ 581,264
Short-term financial instruments	20,000	-
Trade accounts and notes receivable, net (Notes 4, 5 and 25)	899,904	1,397,815
Inventories, net (Notes 2, 6 and 10)	1,103,654	1,408,333
Other accounts receivable, net (Notes 4 and 5)	232,430	260,186
Prepaid expenses	75,679	69,640
Accrued income, net (Note 4)	53,174	51,065
Advances, net (Note 4)	55,180	46,148
Derivatives transaction debit (Note 16)	6,646	4,748
Deferred income tax assets (Note 22)	161,898	161,824
Other current assets, net (Note 4)	61,497	4,140
Total current assets	3,160,377	3,985,163
Property, plant and equipment, net (Notes 2, 9, 10 and 26)	4,256,321	4,150,304
Long-term financial instruments (Note 3)	28,040	18,945
Long-term investment securities (Note 7)	37,078	54,363
Equity method investments (Note 8)	4,583,577	4,681,306
Refundable deposits (Note 5)	319,241	390,629
Long-term advance payments	149,505	137,723
Long-term prepaid expenses	125,531	95,071
Long-term loans receivable, net (Note 4)	103,748	98,878
Intangible assets, net (Notes 11 and 26)	462,217	419,672
Derivatives transaction debit (Note 16)	4,507	4,386
Total assets	₩ 13,230,142	₩ 14,036,440

**LG Electronics Inc.**  
**Non-Consolidated Balance Sheets**  
**December 31, 2006 and 2005**

(in millions of Korean won)

	2006	2005
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities		
Short-term borrowings (Note 12)	₩ 37,674	₩ 12,853
Current maturities of long-term net debts (Note 12)	792,569	1,129,434
Trade accounts and notes payable (Notes 5 and 25)	1,764,116	1,794,114
Other accounts payable (Note 5)	1,083,209	1,101,399
Income taxes payable (Note 22)	42,813	21,971
Accrued expenses (Note 5)	805,438	885,284
Withholdings	53,705	7,727
Unearned income	35,928	40,492
Advances from customers	284,595	213,837
Derivatives transaction credit (Note 16)	1,281	1,159
Others	-	76
Total current liabilities	4,901,328	5,208,346
Debtures and convertible bonds, net of current maturities and discounts on debtures (Note 13)		
	792,197	1,513,601
Long-term debts, net of current maturities (Note 13)	849,944	642,076
Accrued severance benefits, net (Note 14)	228,635	240,853
Product warranty reserve (Note 15)	241,956	112,499
Deferred income tax liabilities (Note 22)	53,036	102,894
Derivatives transaction credit (Note 16)	23,832	2,842
Other long-term liabilities (Note 16)	38	50,686
Total liabilities	7,090,966	7,873,797
Commitments and contingencies (Note 16)		
Shareholders' equity		
Capital stock (Notes 1 and 17)	809,169	800,226
Capital surplus (Notes 17 and 18)	2,219,993	2,107,259
Retained earnings (Note 19)	2,466,926	2,511,378
Capital adjustments (Note 20)	643,088	743,780
Total shareholders' equity	6,139,176	6,162,643
Total liabilities and shareholders' equity	₩ 13,230,142	₩ 14,036,440

The accompanying notes are an integral part of these non-consolidated financial statements.