

A woman with dark hair, wearing a light blue button-down shirt and dark pants, is sitting on a white plastic chair outdoors. She is smiling and reading a book to a young girl with blonde hair, who is also sitting on the chair. The girl is wearing a light green dress and has her hands near her face, looking at the book. The book is titled "The Little Prince". The background shows a beige building with a window and a green lawn under a blue sky with light clouds.

Welcome to
LG Electronics

January 25, 2005

As a note, this presentation has been prepared based on internal audited figures and final figures may change due to the results of independent auditors' review. Also, this presentation was released as the dates shown and reflected management views as of these dates. All information in this presentation regarding the Company's financial results has been prepared on a non-consolidated basis in accordance with Korean GAAP. In particular, sales information includes sales by the Company to, and purchases by the Company from, its subsidiaries and affiliates, but excludes sales by the Company's subsidiaries and affiliates to third parties. The presentation includes forward-looking statements regarding the Company's outlook for 2005 and beyond, including projected sales. These forward-looking statements also refer to the Company's results on a non-consolidated basis. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause actual results to differ materially from those stated or implied by such statements. These risks and uncertainties, but are not limited to the risk factors noted in the Company's Earnings Releases and Company's filings with the Financial Supervisory Commission of Korea. The Company assumes no obligation or responsibility to update the information provided in the presentations in correspondence to their respective dates.

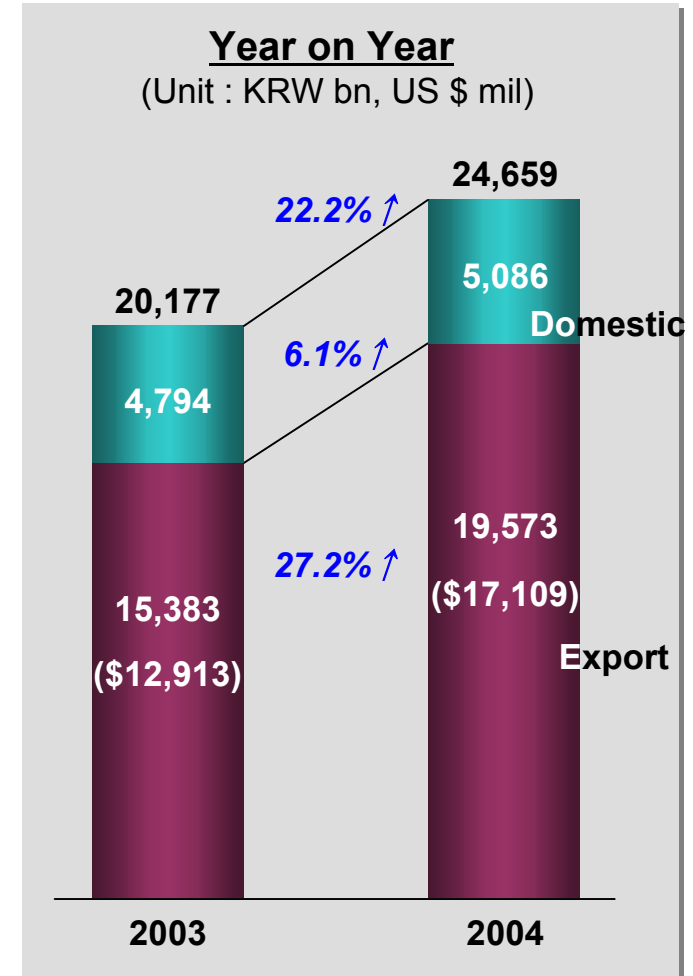
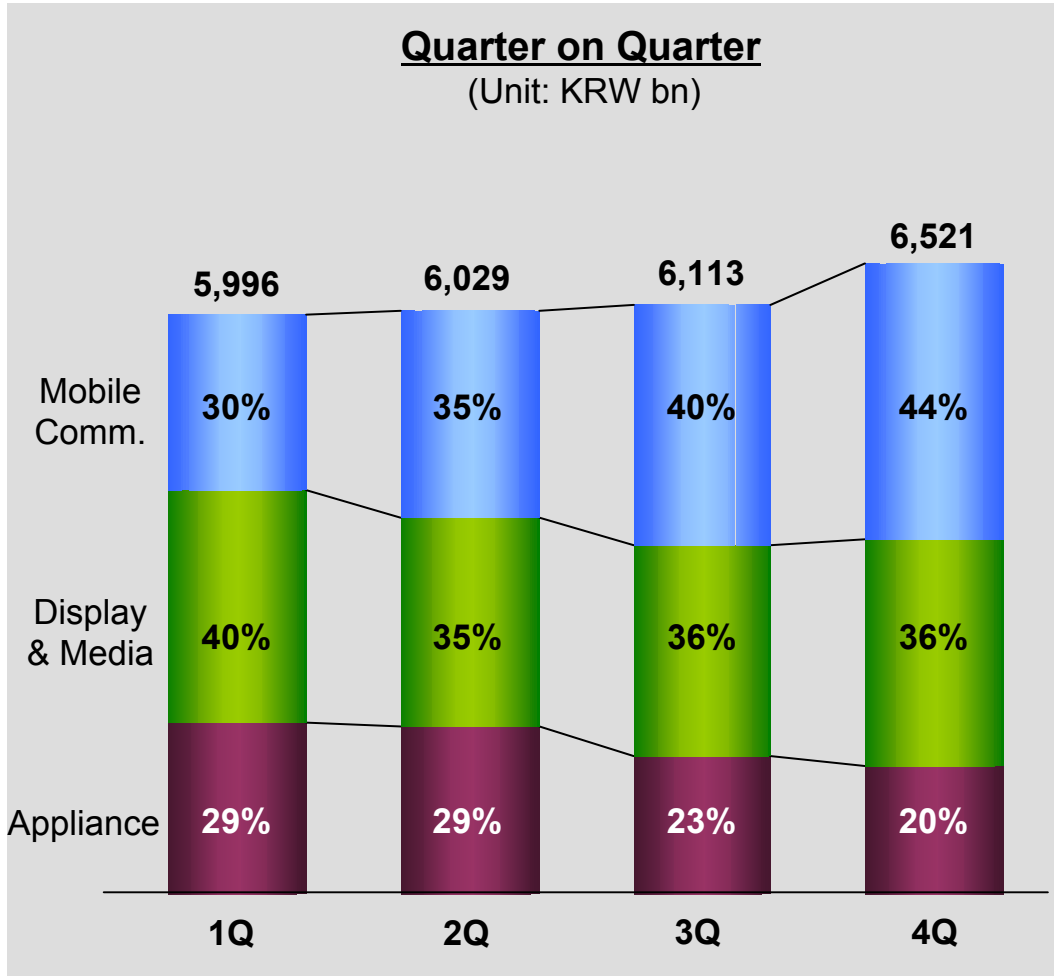
Table of Contents

I . 2004 4Q and Annual Results

II . Performance and Outlook by Sector

III . 2005 Forecast & Target

- ◆ Despite the Won appreciation, 4Q sales grew 6.7% QoQ and 20.4% YoY to 6.5tn, due to strong exports of handset and increase in DTV and PDP module shipments.
- ◆ Annual sales amounted to 24.7tn, up 22.2% YoY, driven mainly by handset growth.



◆ In '04 4Q,

- Handset: Sales up 54.7% YoY due to strong export of GSM handsets.
- Display& Media: Sales down 0.5% YoY due to reduction in PC OEM business
- Appliance: Sales up 9.4% YoY, owing to increase in high-end LG branded sales.

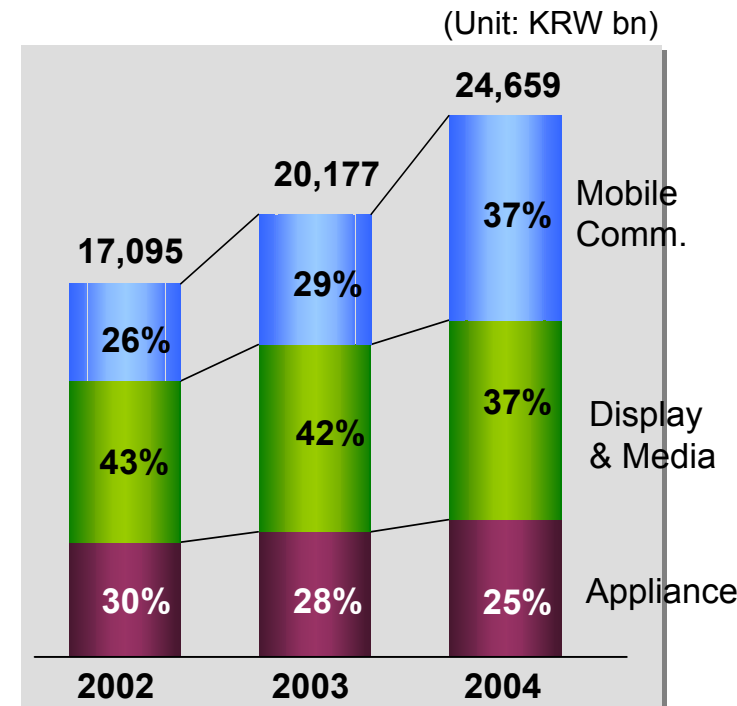
◆ In 2004,

- Handset: Sales up 61.1% YoY. Unit shipment up 61.9% YoY with total annual sales of 44 mil units.
- Display&Media: Sales grew 6.9% YoY. High sales growth of display products, such as, DTV and PDP maintained.
- Appliance: Sales increased 10% YoY, due to substantial sales growth of LG branded products in US and other developed countries.

(Unit: KRW bn)

	4Q	Growth Rate		2004	Growth Rate
		YoY	QoQ		
Appliance	1,316	9.4%	-6.8%	6,216	10.0%
Display& Media	2,323	-0.5%*	6.6%	9,037	6.9%
Mobile Comm.	2,846	53.7%	15.4%	9,233	56.6%
Handset	2,568	54.7%	12.4%	8,351	61.1%

* DDM sales grew up 10% YoY when PC portion is excluded.



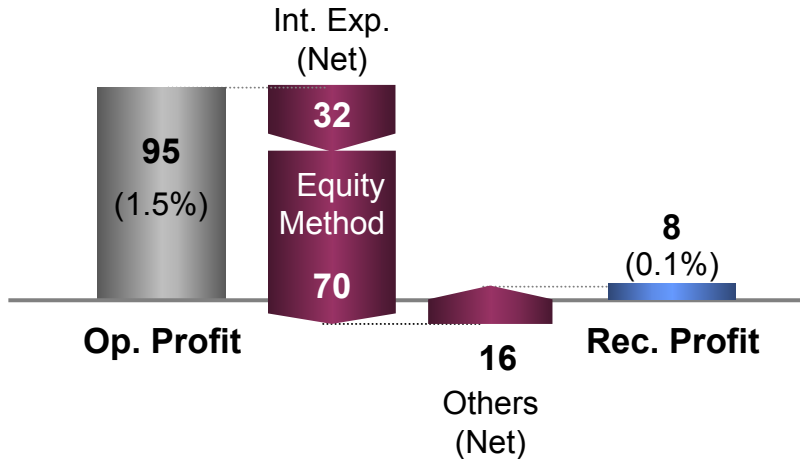
- ◆ 4Q operating profit decreased QoQ, due mainly to rapid Won appreciation, slow domestic economy, and rising raw material prices.
- ◆ Annual operating profit rose 17.7% YoY, on back of improving handset profitability. Recurring and net profit grew 121.6% YoY and 130.3% YoY respectively, due to an increase in equity method gains.

(Unit: KRW bn)

	2004					2003	
	1Q	2Q	3Q	4Q	Annual	4Q	Annual
Gross Profit (%)	1,423 23.7%	1,508 25.0%	1,537 25.1%	1,456 22.3%	5,924 24.0%	1,273 23.5%	4,826 23.9%
Op. Profit (%)	407 6.8%	393 6.5%	355 5.8%	95 1.5%	1,250 5.1%	198 3.6%	1,062 5.3%
Rec. Profit (%)	732 12.2%	672 11.2%	442 7.2%	8 0.1%	1,855 7.5%	-58 -1.1%	837 4.1%
Net Profit (%)	585 9.8%	494 8.2%	304 5.0%	144 2.2%	1,526 6.2%	-17 -0.3%	663 3.3%

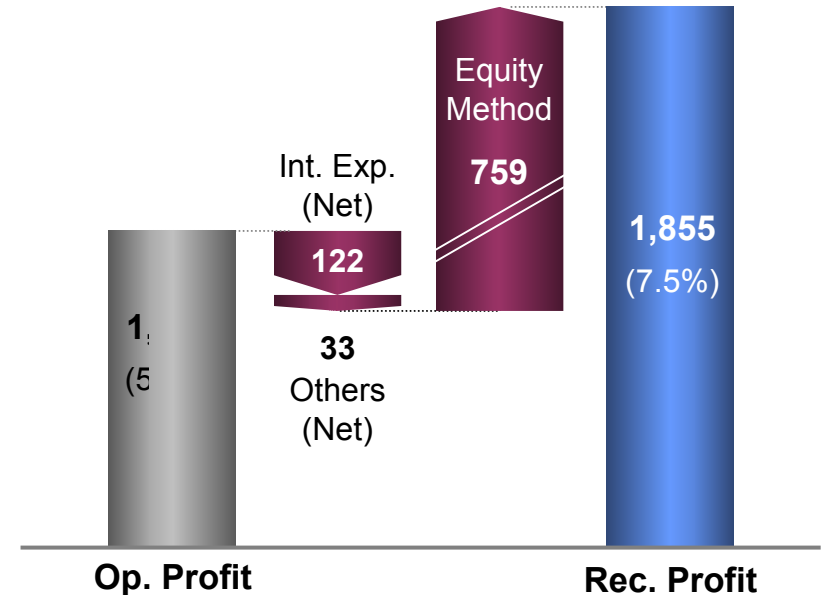
2004 4Q

(Unit: KRW bn)



2004

(Unit : KRW bn)



2004 4Q Equity Method

(Unit : KRW bn)

Company	Equity Method Contribution
LG.Philips LCD	25
LG.Philips Displays	-148 *
Affiliates and others	53
Total	-70

2004 Annual Equity Method

(Unit : KRW bn)

Company	Equity Method Contribution
LG.Philips LCD	836
LG.Philips Displays	-128
Affiliates and others	51
Total	759

* Excluding asset impairment equity method is KRW -36bn.

◆ **4Q profit decreased YoY, due to the deterioration of operational environment.**

- Appliance : Profit down due to rapid Won appreciation and rising raw material prices.
- Display&Media : Profit of PDP and DTV declined, due to sharp fall in ASP.
- Handset : QoQ Profit decreased slightly, due to Won appreciation, and slow domestic demand.

◆ **Annual operating profit of Appliance, Display & Media, and Handset division is 7.2%, 3.2%, and 6.3% respectively.**

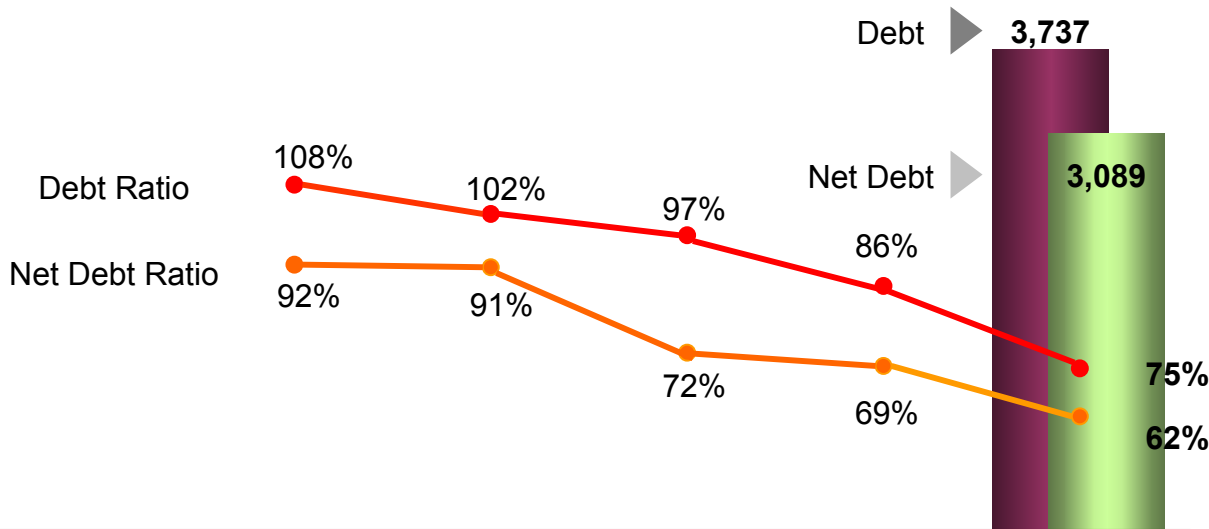
(Unit: KRW bn)

	2004					2003	
	1Q	2Q	3Q	4Q	Annual	4Q	Annual
Appliance (%)	210 11.9%	172 10.0%	77 5.4%	-10 -0.8%	448 7.2%	67 5.6%	497 8.8%
Display& Media (%)	147 6.1%	100 4.7%	66 3.0%	-23 -1.0%	289 3.2%	82 3.5%	382 4.5%
Mobile Comm. (%)	56 3.2%	138 6.5%	230 9.3%	186 6.6%	610 6.6%	102 5.5%	301 5.1%
Handset (%)	49 3.1%	123 6.4%	215 9.4%	143 5.6%	530 6.3%	84 5.1%	249 4.8%

◆ Total liability to equity ratio declined to 164%, and net debt to equity ratio declined to 62%.

Debt

(Unit: KRW bn)



Balance Sheet

(Unit : KRW bn)

Dec. 2004	
Assets	13,218
- Current Assets:	4,021
- Fixed Assets:	9,197
Liabilities	8,216
- Current Liabilities:	4,957
- Fixed Liabilities:	3,259
Equity	5,002
- Capital Stock	784

	Dec. '03	Mar. '04	Jun. '04	Sep. '04	Dec. '04
Total Liab. to Equity	222%	212%	195%	176%	164%
Debt to Equity	108%	102%	97%	86%	75%
Net Debt to Equity	92%	91%	72%	69%	62%
ROE	20%				36%

◆ Sales grew 22.3% YoY to 43.55tn on a consolidated basis.

◆ Operating profit rose 36.7% YoY to 3.3tn, and recurring profit up 104.9% YoY to 3tn.

Consolidated F/S

(Unit: KRW bn)

Section	2004	2003	YoY
Sales	43,548	35,595	22.3%
Op. Profit	3,318	2,427	36.7%
Rec. Profit	2,998	1,463	104.9%

Global F/S*

(Unit: KRW bn)

Section	2004	2003	YoY
Sales	35,288	29,598	19.2%
Op. Margin	1,571	1,391	12.9%
Rec. Profit	1,404	1,076	30.6%

* Global F/S : Based on LGE parent and LGE overseas affiliates only

Consolidated Balance Sheet

(Unit: KRW bn)

Assets	29,837
- Current Assets	14,995
- Fixed Assets	14,842
Liabilities	21,260
- Current Liabilities	15,254
- Fixed Liabilities	6,006
Equity	8,577
- Capital Stock	784

	2003	2004
Total Liab. to Equity	372%	248%
Debt to Equity	197%	139%
Net Debt to Equity	159%	105%

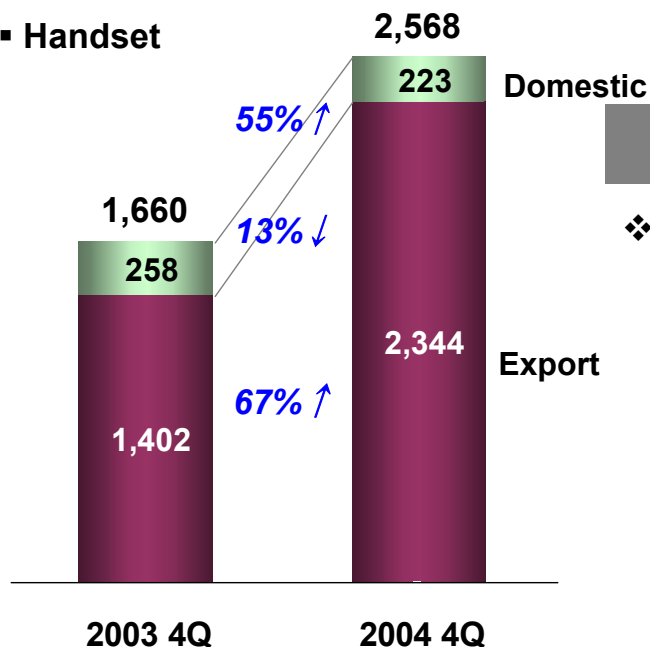
II . Performance and Outlook by Sector

Mobile Communications

Sales

(Unit: KRW bn)

▪ Handset



2004 4Q Performance

❖ Handset : Grew 55% YoY to KRW 2.6tn.

- Unit shipment amounted to 13.9million.

▪ CDMA

- Domestic : Unit sales fell 16% QoQ, 26% YoY, due to the slow economy.

- Overseas : Unit sales rose 31% QoQ, 23% YoY led by growth in US.

▪ GSM - Unit sales increased 90% YoY with strong sales in US.

▪ WCDMA - Unit sales reached 1.7mn units up 36% QoQ

2005 Outlook

❖ Handset : Unit sales is expected to grow 40% YoY to 62mil.

▪ CDMA

- Domestic : Sales expected to be similar to 2004 with introduction of new innovative products, such as, DMB Phone.

- Overseas : Market leadership in US expected to be maintained with additional business from new operators.

▪ GSM & WCDMA

- Sales growth expected with expanding relations with US and European operators.

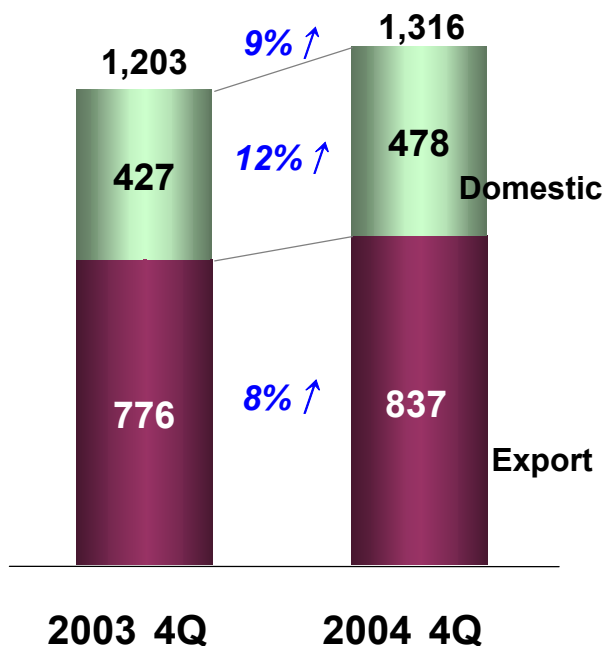
- Fortify market leadership in WCDMA by expanding product line-up and fortifying relations with existing and new operators.

II . Performance and Outlook by Sector

Appliance

Sales

(Unit: KRW bn)



2004 4Q Performance

❖ Sales : Grew 9% YoY to KRW 1.3tn

- Domestic sales helped by introduction of new innovative refrigerators and washing machines.
- Sales of LG branded premium in overseas led growth.
 - Domestic : Sales up 12% YoY.
 - Growth Driver : Side-by-Side Ref., Kimchi Refrigerator, Commercial AC
 - Overseas : Sales up 8% YoY.
 - W/M : Sales rose 42% YoY due to strong growth in CIS and US.
 - Refrigerator : Sales up 32% YoY due to new line up of French Dios (3 Door Type) and the strong sales in Europe and US.

2005 Outlook

❖ 2005 sales is expected to grow due to strong sales in overseas.

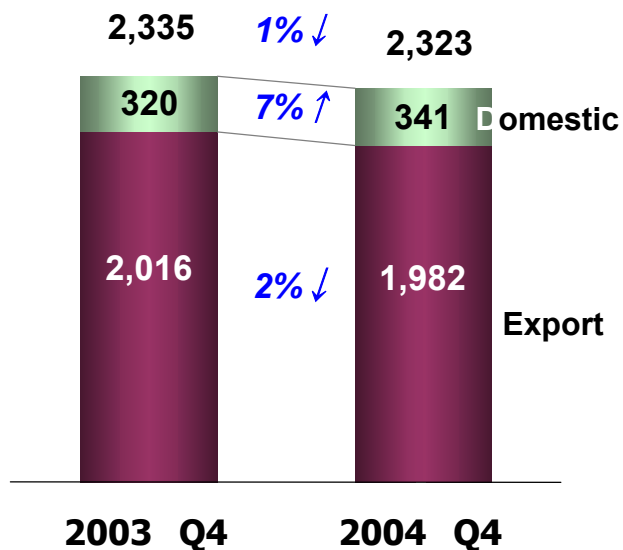
- Domestic : Sales expected to rise slightly despite slow economy.
- Overseas : Further growth expected due to the strong sales of LG branded premium products in US and Europe.

II . Performance and Outlook by Sector

Display & Media

Sales

(Unit: KRW bn)



* Like for like comparison.

2004 4Q Performance

❖ Sales : Declined 1% YoY to KRW 2.3tn.

- Sales declined slightly YoY, due to the decrease of PC OEM business.
- Strong sales of DTV, Premium IT products.
 - DTV : Sales up 55% YoY, due to strong sales of PDP/LCD TV.
 - PDP Module : Sales up 68% YoY.
 - DVD-W : Sales increased 38% YoY.

2005 Outlook

❖ Further price erosion for DTV related products expected.

- DTV : PDP/LCD TV expected to account for larger portion of sales.
- Monitor: Improve competitiveness via LCD led sales growth
- Optical Storage : Focus on new higher value-added products

❖ 1Q Outlook : While overall sales expected to be similar to '04 3Q due to Won appreciation, sales of DTV and LG branded notebook PC expected to rise.

LG.Philips LCD

2004 4Q Performance and 2005 Outlook

❖ 4Q Sales : KRW 1,933 bn* / 4Q Operating Profit: KRW 2 bn*

- Sales down 9% YoY, Operating Profit down 100% YoY
- P6 4Q average glass input : 35k units/ month

❖ '04 Sales : KRW 8,328 bn* / '04 Operating Profit : KRW 1,728 bn*

- Successful ramp up at P6 ensures leadership in 30" class LCD TV

* Based on consolidated Korean GAAP, Un-audited

LG.Philips Displays

2004 4Q Performance and 2005 Outlook

❖ 4Q Sales : US\$991mn / 4Q Operating Profit : US\$61mn *

- CRT shipment decreased 2% YoY
- Restructuring costs and asset impairment charges were reflected in 4Q : US\$271 mn (asset impairment US\$205 mn)

❖ '04 Sales: US\$4,047mn / '04 Operating Profit : US\$284 mn*

❖ '05 Outlook

CRT demand forecasted to decrease 11% YoY due to growing demand for LCD monitor and Flat Panel TVs

* Excluding restructuring costs

- ◆ External factors such as Won appreciation, slow domestic economy, high raw material prices are expected to remain in 2005.
 - '05 Exchange Rate (E): KRW 970~980/US \$, '05 Korean Economic Growth Rate (E): 3%
- ◆ LGE's main focus for 2005 is 1) management innovation to meet difficult and changing environment, 2) to improve financial structure, 3) to improve global competitiveness thru continued investment in core technologies.

Maximizing Business Performance

- DA - Increasing the portion of LG branded premium products.
 - Sales growth over 20% in Europe and US expected.
- DD - Increase marketing activities to expand DTV market.
 - Insuring cost competitiveness through active cost innovation.
- DM - Securing market leadership through product differentiation.
- MC - Establish base to become Global Top 3 player.
 - Improving profitability by improving "time to market", R&D efficiency, and cost reduction measures.

2005 Target

- Sales;
KRW 28tn. ~ 30tn.
- CAPEX; KRW 1.7tn
- R&D; KRW 1.8tn

Sales and Profits by Division - Like for Like Comparison

Appendix

(Unit: KRW bn)

Section			2003				
			1Q	2Q	3Q	4Q	Total
Appliance	Sales	Domestic	479	584	456	427	1,946
		Export	1,169	1,013	745	776	3,703
		Total	1,648	1,597	1,201	1,203	5,649
	Operating Porfit		223	157	49	67	497
Display & Media	Sales	Domestic	368	309	298	320	1,294
		Export	1,681	1,639	1,824	2,016	7,160
		Total	2,049	1,947	2,122	2,335	8,454
	Operating Porfit		159	65	77	82	382
Telecom E&H	Sales	Domestic	343	336	298	414	1,392
		Export	939	895	1,232	1,438	4,504
		Total	1,283	1,231	1,530	1,852	5,895
	Operating Porfit		56	67	76	102	301
Handset	Sales	Domestic	217	181	193	258	849
		Export	886	848	1,199	1,402	4,335
		Total	1,103	1,029	1,392	1,660	5,184
	Operating Porfit		63	21	81	84	249

2004				
1Q	2Q	3Q	4Q	total
387	582	534	478	1,981
1,379	1,141	877	837	4,234
1,766	1,722	1,411	1,316	6,216
210	172	77	-10	448
368	342	330	341	1,381
2,028	1,798	1,849	1,982	7,656
2,396	2,140	2,179	2,323	9,037
147	100	66	-23	289
477	422	333	346	1,579
1,311	1,709	2,134	2,500	7,654
1,789	2,130	2,467	2,846	9,233
56	138	230	186	610
373	322	258	223	1,177
1,204	1,599	2,027	2,344	7,174
1,577	1,922	2,285	2,568	8,351
49	123	215	143	530

Company	Sales	Domestic	1,229	1,271	1,108	1,186	4,794
		Export	3,797	3,547	3,808	4,232	15,383
		Total	5,026	4,817	4,916	5,417	20,177
	Gross Profit		1,263	1,170	1,121	1,273	4,826
	Operating Profit		417	262	185	198	1,062
Recurring Profit		198	375	322	-58	837	
Net Profit		189	267	224	-17	663	

1,276	1,381	1,241	1,187	5,086
4,720	4,648	4,871	5,334	19,573
5,996	6,029	6,113	6,521	24,659
1,423	1,508	1,537	1,456	5,924
407	393	355	95	1,250
732	672	442	8	1,855
585	494	304	144	1,526

Operating Porfit by Division	Appliance	13.5%	9.8%	4.1%	5.6%	8.8%
	Dis.&Media	7.8%	3.3%	3.6%	3.5%	4.5%
	Telecom	4.4%	5.5%	4.9%	5.5%	5.1%
	Handsets	5.7%	2.1%	5.8%	5.1%	4.8%
Company	GP Margin	25.1%	24.3%	22.8%	23.5%	23.9%
	OP Margin	8.3%	5.4%	3.8%	3.6%	5.3%
	RP Margin	3.9%	7.8%	6.5%	-1.1%	4.1%
	NP Margin	3.8%	5.5%	4.6%	-0.3%	3.3%

11.9%	10.0%	5.4%	-0.8%	7.2%
6.1%	4.7%	3.0%	-1.0%	3.2%
3.2%	6.5%	9.3%	6.6%	6.6%
3.1%	6.4%	9.4%	5.6%	6.3%
23.7%	25.0%	25.1%	22.3%	24.0%
6.8%	6.5%	5.8%	1.5%	5.1%
12.2%	11.2%	7.2%	-0.1%	7.5%
9.8%	8.2%	5.0%	1.9%	6.2%

◆ Income Statement

(Unit: KRW bn)

	2003									
	1Q		2Q		3Q		4Q		Total	
Sales	5,171	100%	4,673	100%	4,916	100%	5,417	100%	20,177	100%
COGS	3,908	75.6%	3,503	75.0%	3,796	77.2%	4,145	76.5%	15,351	76.1%
Gross Profit	1,263	24.4%	1,170	25.0%	1,121	22.8%	1,273	23.5%	4,826	23.9%
SG&A	846	16.4%	908	19.4%	935	19.0%	1,075	19.8%	3,764	18.7%
Operating Profit	417	8.1%	262	5.6%	185	3.8%	198	3.6%	1,062	5.3%
Non OP	-219	-4.2%	113	2.4%	137	2.8%	-255	-4.7%	-225	-1.1%
Recurring Profit	198	3.8%	375	8.0%	322	6.5%	-58	-1.1%	837	4.1%
Tax	9	0.2%	107	2.3%	98	2.0%	-40	-0.7%	174	0.9%
Net Profit	189	3.7%	267	5.7%	224	4.6%	-17	-0.3%	663	3.3%

	2004									
	1Q		2Q		3Q		4Q		Total	
Sales	5,996	100%	6,029	100%	6,113	100%	6,521	100%	24,659	100%
COGS	4,574	76.3%	4,521	75.0%	4,576	74.9%	5,065	77.7%	18,736	76.0%
Gross Profit	1,423	23.7%	1,508	25.0%	1,537	25.1%	1,456	22.3%	5,923	24.0%
SG&A	1,016	16.9%	1,115	18.5%	1,182	19.3%	1,361	20.9%	4,674	19.0%
Operating Profit	407	6.8%	393	6.5%	355	5.8%	95	1.5%	1,250	5.1%
Non OP	326	5.4%	280	4.6%	86	1.4%	-87	-1.3%	605	2.5%
Recurring Profit	732	12.2%	672	11.2%	442	7.2%	8	0.1%	1,855	7.5%
Tax	148	2.5%	179	3.0%	137	2.2%	-135	-2.1%	328	1.3%
Net Profit	585	9.8%	493	8.2%	304	5.0%	144	2.2%	1,526	6.2%

◆ Balance Sheet

(Unit: KRW bn)

	2003			
	1Q	2Q	3Q	4Q
Asset	11,091	10,459	11,036	11,277
Current Asset	3,885	3,039	3,488	3,773
Fixed Asset	7,206	7,420	7,548	7,505
Investment	3,386	3,544	3,654	3,546
PP&E	2,898	2,959	3,026	3,123
Intangible	921	917	868	836
Liabilities	8,026	7,098	7,485	7,773
Current Liabilities	5,675	4,652	4,697	5,091
Fixed Liabilities	2,350	2,446	2,789	2,682
Capital	3,065	3,361	3,551	3,505
Capital	784	784	784	784
Capital Surplus	1,876	1,876	1,892	1,892
Retained Earning	303	570	794	766
Capital Adjustment	102	130	80	63

	2004			
	1Q	2Q	3Q	4Q
Asset	12,053	13,061	13,581	13,218
Current Asset	4,062	4,718	4,530	4,021
Fixed Asset	7,991	8,343	9,051	9,197
Investment	4,005	4,165	4,857	4,932
PP&E	3,195	3,425	3,490	3,630
Intangible	791	752	704	636
Liabilities	8,192	8,635	8,651	8,216
Current Liabilities	5,294	5,103	5,060	4,957
Fixed Liabilities	2,898	3,531	3,592	3,259
Capital	3,861	4,426	4,930	5,002
Capital	784	784	784	784
Capital Surplus	1,892	1,908	1,908	1,908
Retained Earning	1,149	1,648	1,896	2,049
Capital Adjustment	36	87	342	261



<http://www.lge.com>