

FOR IMMEDIATE RELEASE**LG ANNOUNCES SECOND-QUARTER 2015
FINANCIAL RESULTS***Company Reports Net Profit in Challenging Quarter*

SEOUL, July 29, 2015 — LG Electronics Inc. (LG) today announced a modest net profit of KRW 226.4 billion (USD 206.38 million) for the second quarter of 2015, in an extremely challenging environment.

In light of a sluggish global TV market and intense competitive pressures, overall second-quarter sales declined 7.6 percent from the same period last year to KRW 13.93 trillion (USD 12.69 billion). Although revenues remained at virtually the same level as the previous quarter, operating profits declined slightly to KRW 244.1 billion (USD 222.52 million). While the second quarter was more challenging than expected, LG is confident it can recover lost ground in the third quarter with new competitive products and more effective marketing initiatives.

The LG Home Entertainment Company reported quarterly revenue of KRW 3.93 trillion (USD 3.59 billion) due to the weak global market for LCD TVs, most notably in the CIS, Latin America and Europe. Second-quarter operating margin declined from the previous quarter largely due to soft global demand and negative currency effects. The company expects the overall market to improve in future quarters primarily in the premium 4K Ultra HD segment, while it expands its OLED line with newer designs at more attractive price points.

The LG Mobile Communications Company reported sales of KRW 3.65 trillion (USD 3.33 billion) in the second quarter, a slight increase of 1 percent from the same period last year. While LG's global smartphone shipments of 14.1 million units reflected a modest 3 percent decline from the same period last year, North America revenues increased by 36 percent year-over-year due to better performance of mid-range smartphones and tablets. Although overall profitability was affected by weaker demand in the

premium segment in the domestic Korean market, LG sold more than 8.1 million LTE smartphones worldwide in the quarter, its highest ever. In the third quarter and beyond, LG will more aggressively implement its dual strategy focusing on both premium devices as well as mid-range smartphones targeting emerging markets.

The LG Home Appliance & Air Solution Company reported sales of KRW 4.49 trillion (USD 4.09 billion), an increase of 10 percent from the previous quarter. Second-quarter operating profit of KRW 291.8 billion (USD 266 million) increased by 6 percent year-over-year as a result of better product offerings and improved cost structure. As macroeconomic conditions are not expected to improve in the near future, LG will step-up its focus on improving profitability in large part by introducing new air conditioning and home appliance products in North America and other developed markets.

The LG Vehicle Components Company recorded revenues of KRW 450.8 billion (USD 410.94 million) in the second quarter, an 18 percent increase from the previous quarter, mainly from its car infotainment and automotive component engineering business. Despite a modest operating loss of KRW 1.5 billion (USD 1.37 million), LG is accelerating its investment in R&D to further strengthen its position in new automotive technologies as the market for electric cars and electronic components continues to grow.

2015 2Q Exchange Rates Explained

LG Electronics' unaudited quarterly earnings results are based on IFRS (International Financial Reporting Standards) for the three-month period ending June 30, 2015. Amounts in Korean won (KRW) are translated into U.S. dollars (USD) at the average rate of the three-month period of the corresponding quarter — KRW 1,097 per USD (2015 2Q).

Earnings Conference and Conference Call

LG Electronics will hold a Korean language earnings conference on July 29, 2015 at 16:00 Korea Standard Time at the LG Twin Tower Auditorium (B1 East Tower, 20 Yeoui-daero, Yeongdeungpo-gu, Seoul, Korea). An English language conference call

will follow on July 29, 2015 at 22:00 Korea Standard Time (14:00 GMT/UTC). Participants are instructed to call +82 31 810 3061 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) at 15:00 on July 29, 2015. 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 142780# 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 82,000 people working in 119 locations around the world. With 2014 global sales of USD 56 billion (KRW 59 trillion), LG comprises four business units — Home Entertainment, Mobile Communications, Home Appliance & Air Solution, and Vehicle Components — and is one of the world's leading producers of flat panel TVs, mobile devices, air conditioners, washing machines and refrigerators. LG Electronics is a 2015 ENERGY STAR Partner of the Year. For more news and information on LG Electronics, please visit www.LGnewsroom.com.

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