

Holding Structure



- As of March 31, 2006.
 - Stake ratios are based on common stocks only.

Gains (or Losses) from Equity Method

As of December 31, 2005

(Unit : KRW one million)

Company	Shares Owned	Stake Ratio ⁽²⁾ (%)	Book Value	BV Portion (%)	Gains from Equity Method			
					Before Negative Goodwill ⁽³⁾	Portion (%)	After Negative Goodwill ⁽³⁾	Portion (%)
LG Electronics Inc.	50,341,430	31.45	2,288,347	49.36%	223,499	36.20%	20,109	6.57%
Siltron Inc.	3,418,141	51.00	153,811	3.32%	12,615	2.04%	8,539	2.79%
Lusem Co., Ltd.	1,400,000	64.81	12,048	0.26%	2,990	0.48%	2,990	0.98%
Electronics			2,454,206	52.93%	239,104	38.72%	31,638	10.34%
LG Chem Ltd.	21,926,000	30.00	865,813	18.67%	120,424	19.50%	55,569	18.15%
LG Household & Health Care Ltd.	5,315,500	30.00	125,360	2.70%	19,154	3.10%	8,783	2.87%
LG Life Sciences, Ltd.	5,044,114	30.00	127,539	2.75%	(467)	-0.08%	(19,116)	-6.25%
LG MMA Corp.	1,200,000	50.00	86,353	1.86%	22,666	3.67%	22,666	7.40%
Chemicals			1,205,065	25.99%	161,777	26.20%	67,902	22.18%
LG TeleCom, Ltd.	103,614,396	37.37	384,726	8.30%	96,598	15.64%	84,715	27.68%
Dacom Corporation	20,063,033	31.32	270,112	5.83%	23,460	3.80%	32,271	10.54%
Telecommunications			654,838	14.12%	120,058	19.44%	116,986	38.22%
LG CNS Co., Ltd.	25,470,680	65.80	167,271	3.61%	49,396	8.00%	42,721	13.96%
Serveone	800,000	100.00	81,772	1.76%	36,549	5.92%	36,549	11.94%
LG N-Sys	1,000,000	100.00	32,727	0.71%	10,643	1.72%	10,643	3.48%
Konjiam Leisure Co., Ltd. ⁽¹⁾	200,000	100.00	17,664	0.38%	(1,102)	-0.18%	(1,102)	-0.36%
LG Management Development Institute	1,200,000	100.00	8,843	0.19%	827	0.13%	441	0.14%
LG Sports Ltd.	600,000	100.00	901	0.02%	(96)	-0.02%	5	0.00%
Services			309,178	6.67%	96,217	15.58%	89,257	29.16%
LG Hitachi Ltd.	245,000	49.00	13,005	0.28%	314	0.05%	314	0.10%
Others			13,005	0.28%	314	0.05%	314	0.10%
Grand Total			4,636,292	100.00%	617,470	100.00%	306,097	100.00%

(1) Konjiam Leisure Co., Ltd. was merged into Serveone in Jan. 1, 2006.

(2) Stake ratio represents the ratio of shares owned divided by the total number of shares outstanding (including preferred shares).

(3) When acquiring shares of a subsidiary that is subject to valuation by the equity method, the difference between the acquisition price (market price or fair value) and the net asset value on the book of the subsidiary is recognized as investment elimination gain or loss - similar to goodwill or negative goodwill. The generally accepted accounting principles ("GAAP") stipulate that this amount be amortized (-) or reversed (+) over an appropriate period of time with the limit of up to 20 years. The company stipulates that the amount be amortized over 5 years or reversed over 5 to 10 years.