

**LG Electronics Inc.**  
**Non-Consolidated Statements of Income**  
**Three-Month and Six-Month Periods Ended June 30, 2007 and 2006**  
**(Unaudited)**

(in millions of Korean won, except per share amounts)

	<b>2007</b>		<b>2006</b>	
	For the three-month period ended June 30, 2007	For the six-month period ended June 30, 2007	For the three-month period ended June 30, 2006	For the six-month period ended June 30, 2006
<b>Sales (Notes 12 and 13)</b>	₩ 5,903,247	₩ 11,936,956	₩ 5,796,239	₩ 11,596,018
<b>Cost of sales</b>	4,579,879	9,272,480	4,402,287	8,820,410
Gross profit	1,323,368	2,664,476	1,393,952	2,775,608
<b>Selling and administrative expenses</b>	1,177,915	2,346,143	1,203,465	2,394,521
Operating income	145,453	318,333	190,487	381,087
<b>Non-operating income</b>				
Interest income	12,326	23,362	9,391	20,540
Gain on valuation of equity-method investments (Note 5)	309,285	248,571	5,525	122,038
Foreign exchange gains	116,883	122,112	76,368	214,232
Gain on valuation of derivatives (Note 8)	10,782	13,864	5,278	4,462
Gain on settlement of derivatives (Note 8)	9,964	12,610	14,380	29,603
Gain on disposal of investment securities	29,731	30,896	-	4,483
Reversal of allowance for doubtful accounts	-	-	-	-
Rent income	7,121	14,194	6,700	12,368
Gain on disposal of property, plant and equipment	266	523	442	3,238
Gain from redemption of debentures	8,240	8,240	-	-
Others	5,643	10,168	12,901	25,050
	510,241	484,540	130,985	436,014
<b>Non-operating expenses</b>				
Interest expense	31,949	64,255	39,905	82,366
Foreign exchange losses	17,218	50,104	50,972	119,782
Loss from transfer of trade accounts and notes receivable	58,954	113,323	49,757	98,058
Loss from disposal of property, plant and equipment	4,620	12,235	2,803	4,752
Loss on impairment of property, plant and equipment	11,931	11,931	-	-
Loss on impairment of intangible assets	47,364	47,364	-	-
Loss on valuation of derivatives (Note 8)	3,797	11,058	25,721	29,651
Loss on settlement of derivatives (Note 8)	9,086	14,299	3,777	8,446
Donations	3,510	5,533	3,602	5,551
Loss on equity method investments (Note 5)	-	131,839	151,106	289,327
Others	6,387	8,437	3,376	6,943
	194,816	470,378	331,019	644,876
Income (loss) before income tax	460,878	332,495	(9,547)	172,225
Income tax expense	76,299	70,560	25,404	41,138
Net income (loss)	₩ 384,579	₩ 261,935	₩ (34,951)	₩ 131,087
<b>Earnings (loss) and ordinary income (loss)</b>				
per share (in won) (Note 11)	₩ 2,386	₩ 1,624	₩ (219)	₩ 811
<b>Diluted earnings (loss) and ordinary income (loss)</b>				
per share (in won) (Note 11)	₩ 2,386	₩ 1,624	₩ (219)	₩ 811

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

See Report of Independent Accountants