

**FOR IMMEDIATE RELEASE****LG ANNOUNCES INTENTION TO ENTER  
WATER TREATMENT BUSINESS**

*Plans to Invest USD 400M to Become Top Ten Player by 2020*

**SEOUL, Sep. 16, 2010** – LG Electronics (LG) announced today that it will enter the water treatment market to help combat global water supply issues and to move further toward becoming a more environmentally sustainable business. LG will invest more than USD 400 million over the next decade with the goal of generating USD 7 billion in revenue by 2020, in the process becoming a top 10 global water treatment company.

Much of the investment will go toward acquiring the right technology and building up research and development in this field.

“Water affects every aspect of our lives, yet almost one billion people around the world don’t have clean drinking water and more than 2.5 billion still lack the most basic sanitation,” said Young-ha Lee, President and CEO of the LG Electronics Home Appliance Company. “LG hopes to be able to make a small but significant contribution to alleviating this global problem with its commitment to finding solutions through innovation and technology.”

LG will concentrate its R&D on developing an advanced membrane filtration system, its core technology and key component of water treatment solutions. LG will also expand its internal capabilities with the additional hiring of membrane filtration experts and process engineers. The company will also be pursuing various types of partnerships, mergers and acquisitions as part of its strategy to expand quickly.

LG will begin with industrial water treatment and expand its coverage into sewage and drinking water treatment. The company eventually plans to enter the business of water

treatment engineering and procurement as well as operation and maintenance across the municipal sector.

“The global water crisis isn’t going to go away by itself – governments, citizens and corporations will all have to work closely together,” said Mr. Lee. “The water business has been growing by an annual rate of 15 percent so there’s an incentive for companies to invest in finding solutions, but beyond the business, I think this is one problem where LG’s experience and commitment to finding sustainable solutions will be a huge advantage.”

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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 more than 80,000 people working in over 115 operations around the world. With 2009 global sales of 55.5 trillion Korean Won (43.4 billion US Dollars), LG comprises of five business units – Home Entertainment, Mobile Communications, Home Appliance, Air Conditioning and Business Solutions. LG is one of the world’s leading producers of flat panel TVs, audio and video products, mobile handsets, air conditioners and washing machines. LG has signed a long-term agreement to become both a Global Partner of Formula 1™ and a Technology Partner of Formula 1™. As part of this top-level association, LG acquires exclusive designations and marketing rights as the official consumer electronics, mobile phone and data processor of this global sporting event. For more information, please visit [www.lg.com](http://www.lg.com).

**About LG Electronics Home Appliance Company**

The LG Electronics Home Appliance Company is an innovator in the home appliance industry, dedicated to offering healthier and greener products, blending smart technology and trend-setting design and providing a complete solution for improving daily life. LG’s insightful products, including refrigerators, washing machines, dishwashers, cooking appliances, vacuum cleaners, and built-in appliances, are designed to resonate with consumers around the world. LG’s innovative technologies and convenient features, including the world’s first interactive refrigerator, steam washing machine and combination oven and microwave, set new trends in the appliance industry, helping to establish LG as a global leader

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