

FOR IMMEDIATE RELEASE**LG, HITACHI ESTABLISH JOINT VENTURE COMPANY
FOR WATER TREATMENT BUSINESS**

*Combination of LG Technology and Hitachi Experience a
Sure Formula for Success in Fast-Growing Segment*

SEOUL, July 11, 2011 – LG Electronics (LG) and Hitachi Plant Technologies, Ltd. (Hitachi Plant Technologies) have agreed to establish and operate a joint venture water treatment company. The new company, LG-Hitachi Water Solutions Co., Ltd., will be based in Seoul and is expected to become an industry leader in the rapidly growing water treatment industry.

Scheduled to begin operation this October, LG-Hitachi Water Solutions will focus on municipal water supply systems, municipal sewage treatment systems, industrial water supply systems, industrial wastewater treatment systems and reuse and recycling of wastewater for local companies and governments. Specifically, LG-Hitachi Water Solutions will be offering to Korean and global clients its expertise in executing water projects in relation to engineering, procurement and construction (EPC), manufacturing of pre-engineered systems and the operation and maintenance of pre-built water facilities. By combining LG's strength in manufacturing and technology with Hitachi Plant Technologies' advanced R&D and expertise in water-related industries, LG-Hitachi Water Solutions is well positioned for a strong entrance into the Korean and global market.

LG and Hitachi Plant Technologies will hold 51 percent and 49 percent of equity interest in LG-Hitachi Water Solutions, respectively. LG will appoint the Chief Executive Officer of the new company while the role of Chief Operating Officer will be determined by Hitachi Plant Technologies.

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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 2010 global sales of KRW 55.8 trillion (USD 48.2 billion), LG comprises four business units – Home Entertainment, Mobile Communications, Home Appliance, and Air Conditioning & Energy 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 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.

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