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LG ANNOUNCES THIRD-QUARTER 2020 FINANCIAL RESULTS

SEOUL, Oct. 30, 2020— LG Electronics Inc. (LG) today announced third-quarter 2020 consolidated revenue of KRW 16.92 trillion (USD 14.24 billion) and operating profit of KRW 959 billion (USD 807.14 million). Both sales and profits were the highest for a third quarter in 62-year history of LG Electronics. Led by strong growth in home appliances and home entertainment, overall sales increased 7.8 percent and operating income improved by 22.7 percent compared with the same period last year.

The LG Home Appliance & Air Solution Company reported third-quarter revenues of KRW 6.16 trillion (USD 5.18 billion), an increase of 15.5 percent from the same quarter last year and the highest quarterly sales in the company's history thanks to a growth in demand for steam-capable appliances such as washing machines and Stylers. The company also recorded its highest ever third-quarter operating profit of KRW 671.5 billion (USD 565.2 million) an increase of 56.6 percent from the same quarter last year. Profit margin of 10.9 percent marked the third consecutive double-digit quarter for the company, which expects to maintain this momentum in the fourth quarter with plans to grow profitability even more through better cost optimization.

The LG Home Entertainment Company posted sales in the third quarter of KRW 3.67 trillion (USD 3.09 billion), 14.3 percent higher than the same period last year driven primarily by the resurgence in demand of premium products such as OLED and large screen TVs in mature markets of North America and Europe. Operating income of KRW 326.6 billion (USD 274.88 million) increased 13.2 percent from the same period of 2019 as a result of more strategic marketing investments despite higher LCD panel prices. The company aims to continue its success by increasing the proportion of premium TVs and to grow online sales.

The LG Mobile Communications Company generated KRW 1.52 trillion (USD 1.28 billion) in sales in the third quarter, virtually unchanged from last year, and 16.5 percent higher than in the previous quarter. Third-quarter operating loss narrowed from a year ago to KRW 148.4 billion (USD 124.9 million) due in large part to increased efficiency in production, cost savings from increased ODM (original design manufacturing) and stronger demand for mass-tier models. The company plans to strengthen its mass-tier lineup in North America and Latin America as well as continuing to improve operational efficiency.

The LG Vehicle Component Solutions Company recorded quarterly revenues of KRW 1.66 trillion (USD 1.39 billion), a 23.5 percent increase from the same period the previous year while an operating loss of KRW 66.2 billion (USD 55.7 million) narrowed significantly from the previous quarter as the main OEMs in North America and Europe resumed production and cost management efforts took effect. In the fourth quarter the company plans to maximize sales through intense supply chain management and further improve profitability with better cost management.

The LG Business Solutions Company generated third-quarter sales of KRW 1.48 trillion (USD 1.25 billion), an increase of 13.4 percent from the previous quarter and 1.9 percent lower than last year. Operating profit of KRW 77.0 billion (USD 64.8 million) declined 31.1 percent from the same period a year earlier and 22 percent lower than the previous quarter. To improve business-to-business performance in the final quarter of the year, the company is planning to more aggressively target non face-to-face sales opportunities, improve product competitiveness and strengthen online marketing activities.

2020 3Q Exchange Rates Explained

LG Electronics' unaudited quarterly earnings results are based on IFRS (International Financial Reporting Standards) for the three-month period ending September 30, 2020. 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 1,188.15 per USD.

Earnings Conference and Conference Call

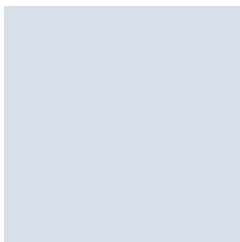
LG Electronics will hold an English language conference call on October 30, 2020 at 16:00 Korea Standard Time (07:00 GMT/UTC). Participants for the

English conference call are instructed to call +82 31 810 3130 and enter the passcode 6418#. The corresponding presentation file will be available for download at the LG Electronics website (www.lg.com/global/ir/reports/earning-release.jsp) at approximately 15:00 on October 30, 2020. 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. The webcast replay will be available at https://irsvc.teletogogether.com/lge/lge2020Q3_kor.php.

About LG Electronics, Inc.

LG Electronics is a global innovator in technology and consumer goods with a presence in almost every country in the world and a diverse workforce of 74,000. LG is composed of five companies – Home Appliance & Air Solution, Home Entertainment, Mobile Communications, Vehicle Component Solutions and Business Solutions. With 2019 global sales of USD 53 billion, LG is a leading manufacturer of a wide range of products from TVs, washing machines, refrigerators, air conditioners, mobile devices, digital signage and automotive components. LG is also known for its premium LG SIGNATURE and advanced LG ThinQ brands, which feature the company's artificial intelligence technology. For more news on LG, go to www.LGnewsroom.com.

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