

Q1 '13 Earnings Results

April 22, 2013

WRGB OLED



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Disclaimer



- **This presentation contains forward-looking statements. We may also make written or oral forward-looking statements in our periodic reports to the United States Securities and Exchange Commission and the Korean Financial Supervisory Service, in our annual report to shareholders, in our proxy statements, in our offering circulars and prospectuses, in press releases and other written materials and in oral statements made by our officers, directors or employees to third parties. Statements that are not historical facts, including statements about our beliefs and expectations, are forward-looking statements. These statements are based on current plans, estimates and projections, and therefore you should not place undue reliance on them. Forward-looking statements speak only as of the date they are made, and we undertake no obligation to update publicly any of them in light of new information or future events.**
- **Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from those contained in any forward-looking statement. Such factors include, but are not limited to: our highly competitive environment; the cyclical nature of our industry; our ability to introduce new products on a timely basis; our dependence on growth in the demand for our products; our ability to successfully execute our expansion strategy; our dependence on key personnel; and general economic and political conditions, including those related to the TFT-LCD industry; possible disruptions in business activities caused by natural and human-induced disasters, including terrorist activity and armed conflict; and fluctuations in foreign currency exchange rates. Additional information as to these and other factors that may cause actual results to differ materially from our forward-looking statements can be found in our filings with the United States Securities and Exchange Commission.**
- **All financial information contained in this document is based on consolidated K-IFRS.**
- **This presentation also includes information regarding our historical financial performance through Mar 31 2012, and our expectations regarding future performance which is available on our investor relations website at <http://www.lgdisplay.com> under the file name Q1 2013 Earnings Results Presentation.**

NOTE: Beginning with the financial statements for the year ended December 31, 2012, the Company is required to give effect to the amendments to K-IFRS No. 1001, Presentation of Financial Statements, in preparing its financial statements. The Company presents operating profit or loss as an amount of sales less cost of sales and selling and administrative expense including research and development expenses on the face of the statement of comprehensive income. The Company applies the amendment retroactively and reclassifies the statements of comprehensive income for the years ended December 31, 2011.

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1. Q1 '13 Earnings Results

2. Performance Highlights

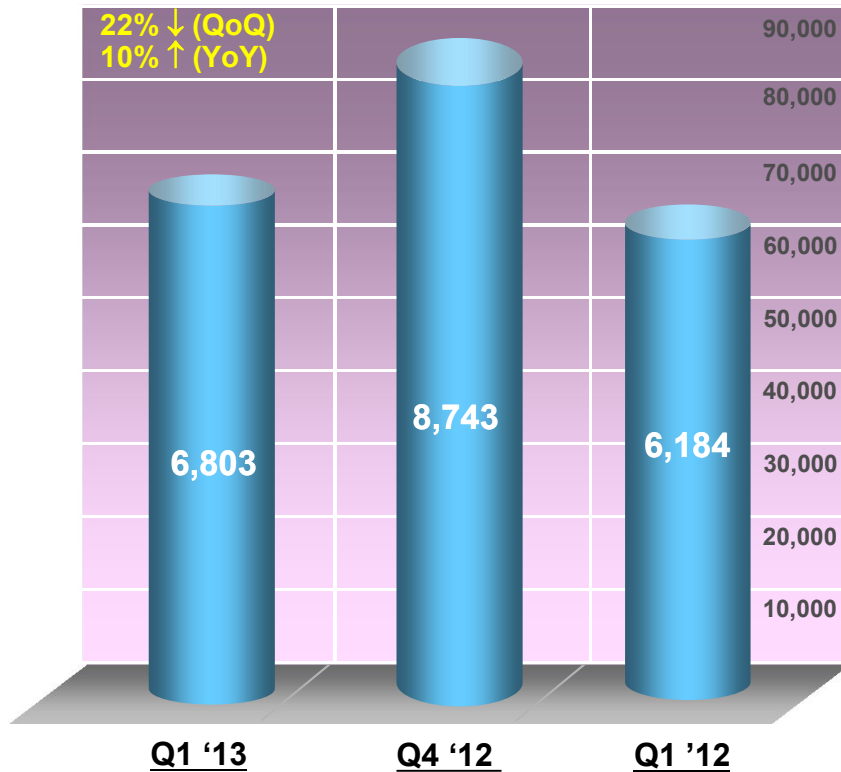
3. Q2 '13 Outlook

Revenues & Profits



Revenues

(Unit : KRW B)



Profits

(Unit : KRW B, %)

	Q1 '13	Q4 '12	Q1 '12	QoQ	YoY
Operating Income	151 2%	587 7%	-211 -3%	-74%	N/A
EBITDA*	1,269 19%	1,814 21%	779 13%	-30%	64%
Income before tax	41	503	-197	-92%	N/A
Net Income	3	319	-129	-99%	N/A

K-IFRS (Consolidated)

Source : Unaudited, Company financials

* EBITDA = Operating Income + Depreciation + Amortization

Financial Positions & Ratios



Financial Positions

(Unit : KRW B)

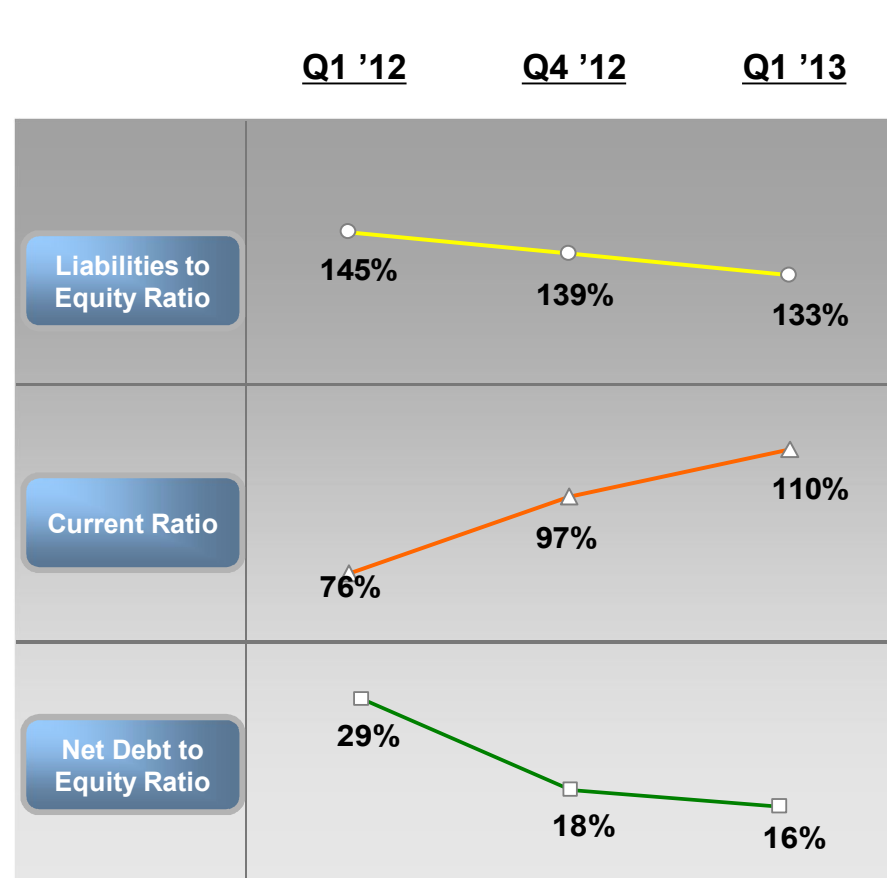
	<u>Q1'13</u>	<u>Q4 '12</u>	<u>Q1 '12</u>
Assets	24,086	24,455	24,532
Current Assets	9,115	8,914	7,383
Cash*	3,097	2,654	2,393
Inventory	2,529	2,390	2,198
Non-Current Assets	14,971	15,541	17,149
Liabilities	13,741	14,215	14,533
Current Liabilities	8,308	9,206	9,691
Non-Current Liab.	5,433	5,009	4,842
Shareholders' Equity	10,345	10,240	9,999
Debts	4,721	4,456	5,254
Net Debts	1,624	1,802	2,861

* Cash includes short term financial instruments.

Source : Unaudited, Company financials

Financial Ratios

(Unit : %)



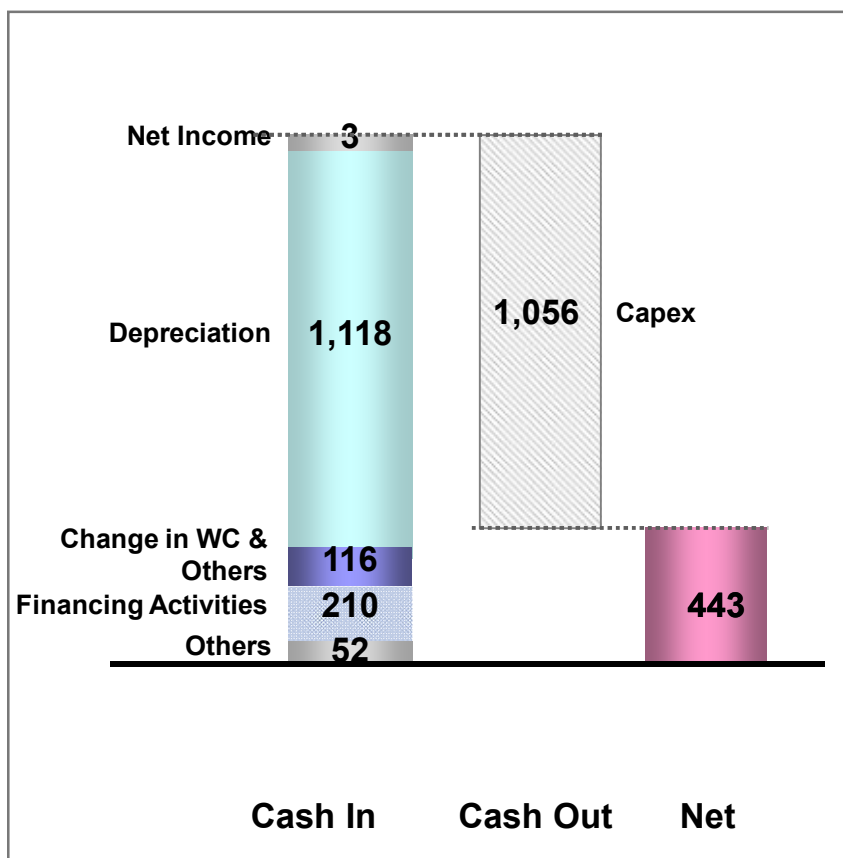
K-IFRS (Consolidated)

Cash Flow



Net Cash Flow

(Unit : KRW B)



Cash Flow Statement

(Unit : KRW B)

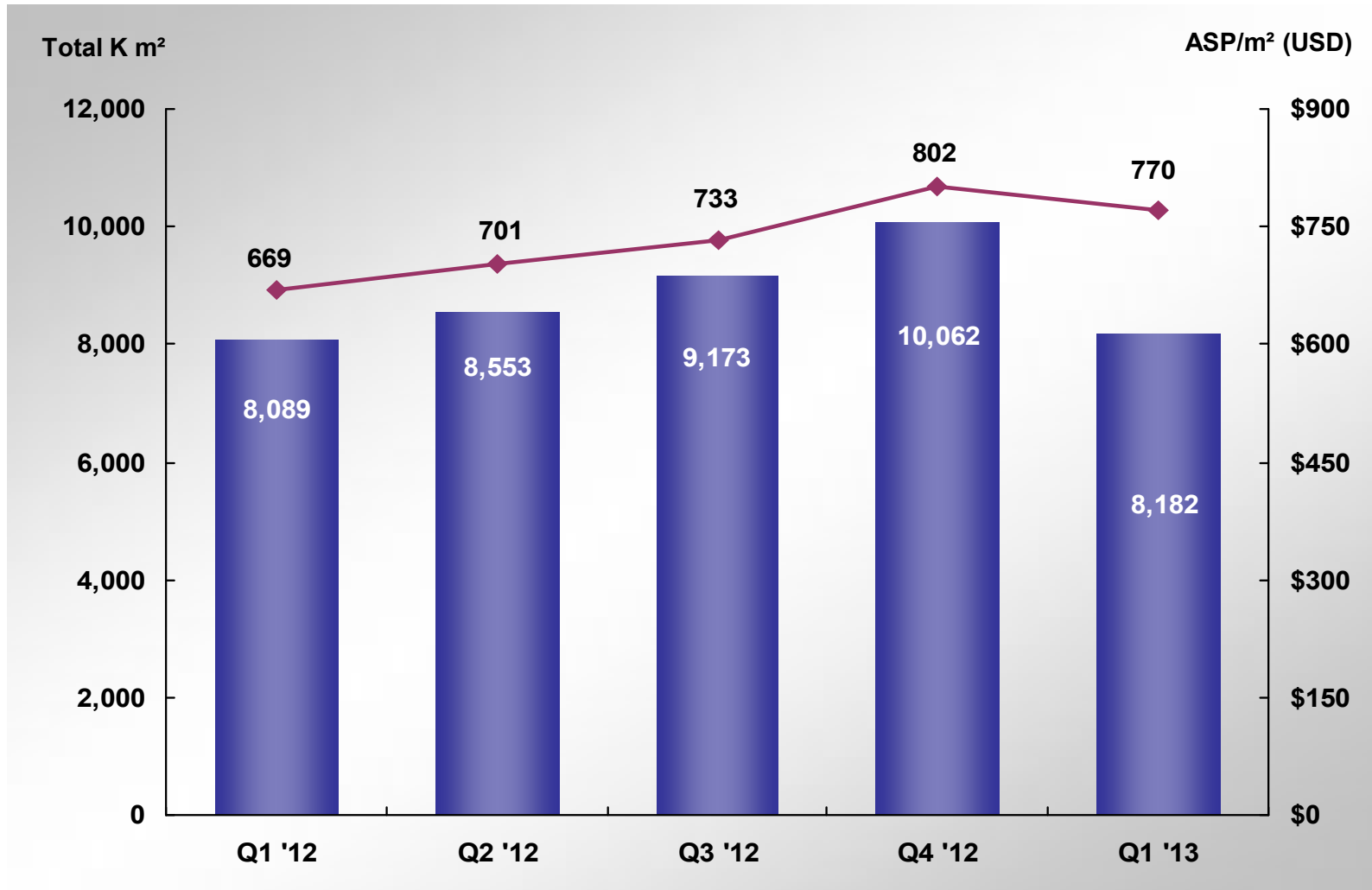
	Q1 '13
Cash at beginning of quarter	2,654
Cash flow from operating activities	1,237
Net Income	3
Depreciation & Amortization	1,118
Change in Working Capital & Others	116
Cash flow from investing activities	(1,056)
Cash flow before financing activities	181
Cash flow from financing activities	262
Financing activities	210
Others	52
Net change in Cash	443
Cash at end of quarter	3,097

K-IFRS (Consolidated)

Source : Unaudited, Company financials

* Increase In Minority Interest (CA Sales Subsidiary)

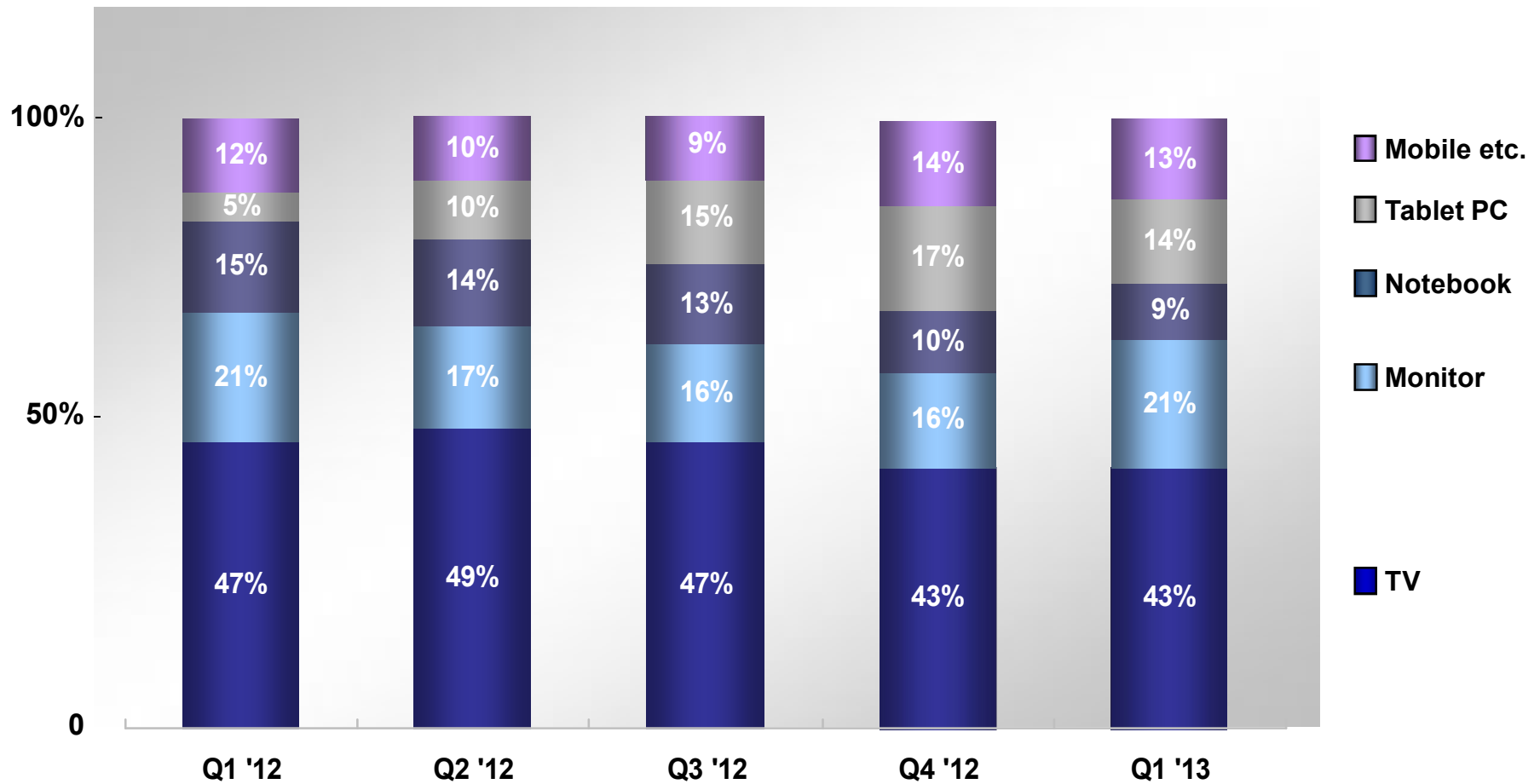
Shipments and ASP



Source: Company financials

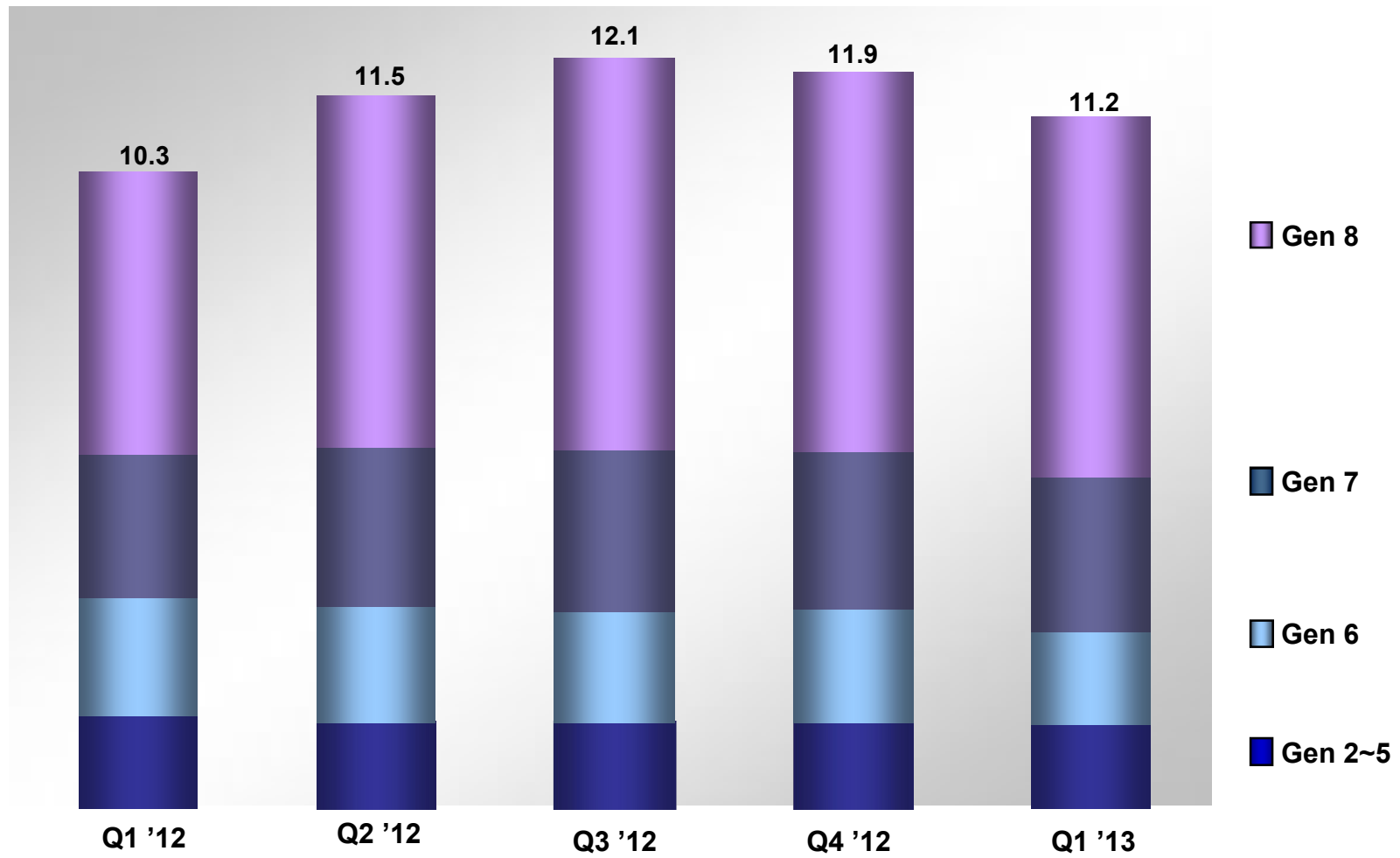
■ Net Display area shipment in K m²
◆ ASP per m² (USD), LCM based

Revenue: Product Mix



Source: Company financials (KRW)

Quarterly producible capacity by area (M m²)



Source: Company financials

Q2 '13

- ▶ **Total Shipment in m2 (QoQ)**
 - Mid~High Single ↑ QoQ

- ▶ **ASP**
 - Overall stable trend with
price volatility in selected products

Questions and Answers

Appendix

IFRS Statements of Income



Unit: KRW Bn

Accounts	Q1 '11	Q2 '11	Q3 '11	Q4 '11	2011	Q1 '12	Q2 '12	Q3 '12	Q4 '12	2012	Q1 '13
Revenue	5,366	6,047	6,269	6,610	24,291	6,184	6,910	7,593	8,743	29,430	6,803
COGS	5,133	5,596	6,088	6,265	23,081	5,856	6,140	6,792	7,637	26,425	6,099
Gross Profit	233	451	180	345	1,210	328	770	801	1,106	3,005	704
Operating Income	-255	-78	-276	-155	-764	-211	239	297	587	912	151
EBITDA	561	816	672	840	2,888	779	1,304	1,485	1,814	5,382	1,269
Income before tax	-202	-51	-695	-133	-1,081	-197	-78	230	503	458	41
Net Income	-115	21	-688	-6	-788	-129	-112	158	319	236	3
EPS (Unit: KRW)	-323	60	-1,921	-17	-2,202	-361	-314	442	894	660	10
Margins (%)											
Gross Margin	4.3	7.5	2.9	5.2	5.0	5.3	11.1	10.5	12.7	10.2	10.3
Operating Margin	-4.8	-1.3	-4.4	-2.3	-3.1	-3.4	3.5	3.9	6.7	3.1	2.2
EBITDA Margin	10.5	13.5	10.7	12.7	11.9	12.6	18.9	19.6	20.7	18.3	18.7

Source: Unaudited, Company financials

K-FRS (Consolidated)

Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding.

IFRS Statements of Financial Position



Unit: KRW Bn

Accounts	Q1 '11	Q2'11	Q3'11	Q4'11	Q1 '12	Q2 '12	Q3 '12	Q4 '12	Q1 '13
Assets	24,325	24,670	24,774	25,163	24,532	25,543	25,317	24,455	24,086
Cash*	3,012	2,364	2,032	2,333	2,393	2,655	2,500	2,654	3,097
Inventory	2,505	2,822	2,369	2,317	2,198	2,569	2,747	2,390	2,529
Liabilities	13,570	13,894	14,591	15,032	14,533	15,647	15,340	14,215	13,741
Short-term debts	2,110	1,775	1,133	888	1,787	1,467	1,407	1,015	825
Long-term debts	2,495	2,864	3,482	3,722	3,467	3,290	3,246	3,441	3,896
Shareholders' Equity	10,755	10,776	10,183	10,131	9,999	9,896	9,977	10,240	10,345
BPS (Unit: KRW)	30,056	30,115	28,458	28,314	27,944	27,657	27,883	28,618	28,912
Net debt to equity ratio (%)	14.8	21.1	25.4	22.5	28.6	21.2	21.6	17.6	15.7

Source: Unaudited, Company financials

K-FRS (Consolidated)

* Cash includes short term financial instruments.

Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding.

IFRS Statements of Cash Flow



Unit: KRW Bn

Accounts	Q1 '11	Q2 '11	Q3 '11	Q4 '11	2011	Q1 '12	Q2 '12	Q3 '12	Q4 '12	2012	Q1 '13
Net Income	-115	21	-688	-6	-788	-129	-112	158	319	236	3
Depreciation & Amortization	816	893	948	994	3,651	990	1,065	1,188	1,227	4,470	1,118
Others	-189	-151	318	-160	-182	-275	1,299	5	-73	956	-101
Working Capital*	302	-250	289	638	979	70	-409	-177	-589	-1,105	217
Cash flow from operating activities	814	513	867	1,466	3,660	656	1,843	1,174	884	4,557	1,237
Cash flow from investing activities**	-991	-1,021	-947	-1,223	-4,182	-1,273	-1,052	-1,260	-603	-4,188	-1,056
Net cash flow before financing activities	-177	-508	-80	243	-522	-617	791	-86	281	369	181
Financing Activities	52	36	-252	58	-106	677	-529	-69	-140	-61	210
Dividends	0	-179	0	0	-179	0	0	0	0	0	0
Change in non-controlling interest	3	3	0	0	6	0	0	0	13	13	52
Net change in cash	-122	-648	-332	301	-801	60	262	-155	154	321	443

Source: Unaudited, Company financials

K-FRS (Consolidated)

* Working Capital consists of net change in AR, Inventory, AP and F/X effect

** Cash flow from Investing Activities exclude increase (decrease) of short term financial instruments.

Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding.

EBITDA Calculation



Unit: KRW Bn

Accounts	Q1 '11	Q2 '11	Q3 '11	Q4 '11	2011	Q1 '12	Q2 '12	Q3 '12	Q4 '12	2012	Q1 '13
1. Operating Income	-255	-78	-276	-155	-764	-211	239	297	587	912	151
2. Depreciation	764	836	885	929	3414	927	1001	1,117	1,152	4,197	1,050
3. Amortization	52	58	63	65	238	63	64	71	75	273	68
EBITDA (1+2+3)	561	816	671	840	2,888	779	1,304	1,485	1,814	5,382	1,269

Source: Unaudited, Company financials

K-FRS (Consolidated)

We add depreciation and amortization expense to operating income to calculate EBITDA. It is a key financial measure used by our senior management to internally evaluate the performance of our business and for other required or discretionary purposes.

We believe that the presentation of EBITDA will enhance an investor's understanding of our operating performance as we believe it is commonly reported and widely used by analysts and investors in our industry. It also provides useful information for comparison on a more comparable basis of our operating performance and those of our competitors, who follow different accounting policies.

EBITDA is not a measure defined by GAAP. Our calculation of EBITDA may not be consistent with other similarly titled measures reported by other companies.

Any discrepancies in any table between the totals and the sums of the amounts listed are due to rounding.