

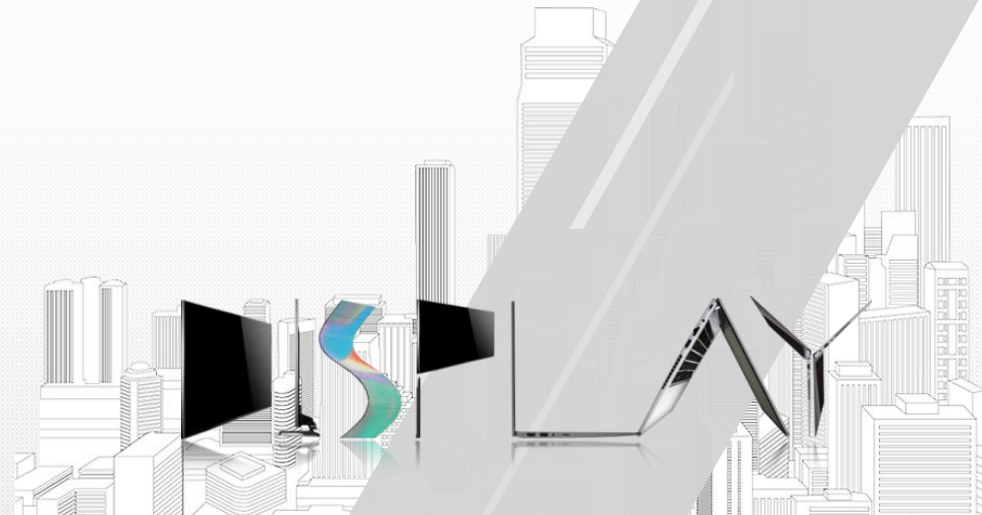
# 2019 Q4 Earnings Results



January 31, 2020

- 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 Display 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 December 31, 2019 and our expectations regarding future performance which is available on our investor relations website at <http://www.lgdisplay.com> under the file name Q4 2019 Earnings Results Presentation.

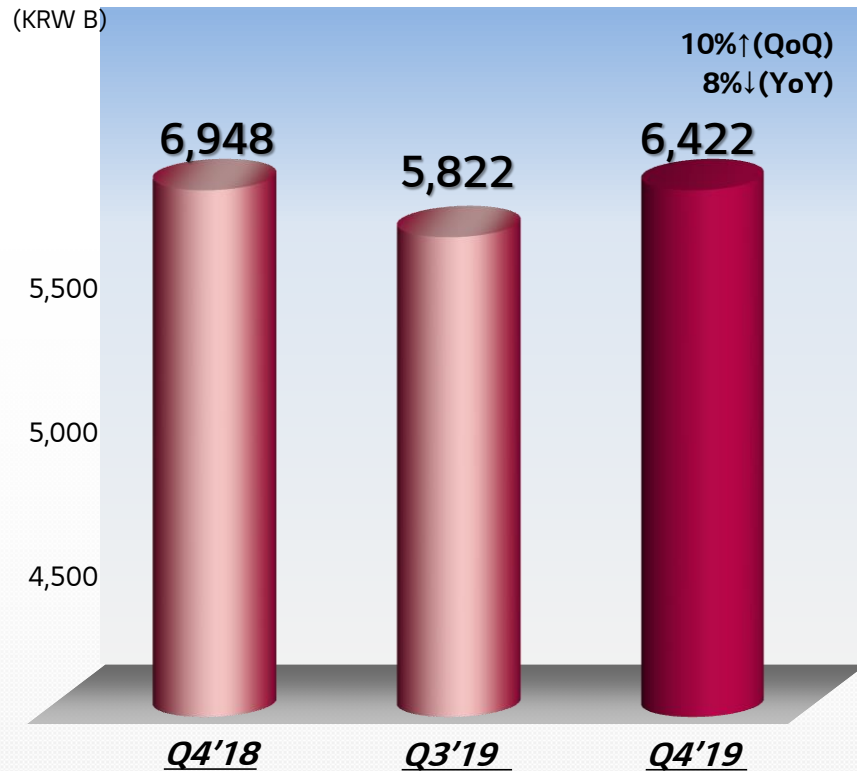
# 2019 Q4 Highlight



# Revenues & Profits

## Revenues

(Unit : KRW B)



## Profits

(Unit : KRW B, %)

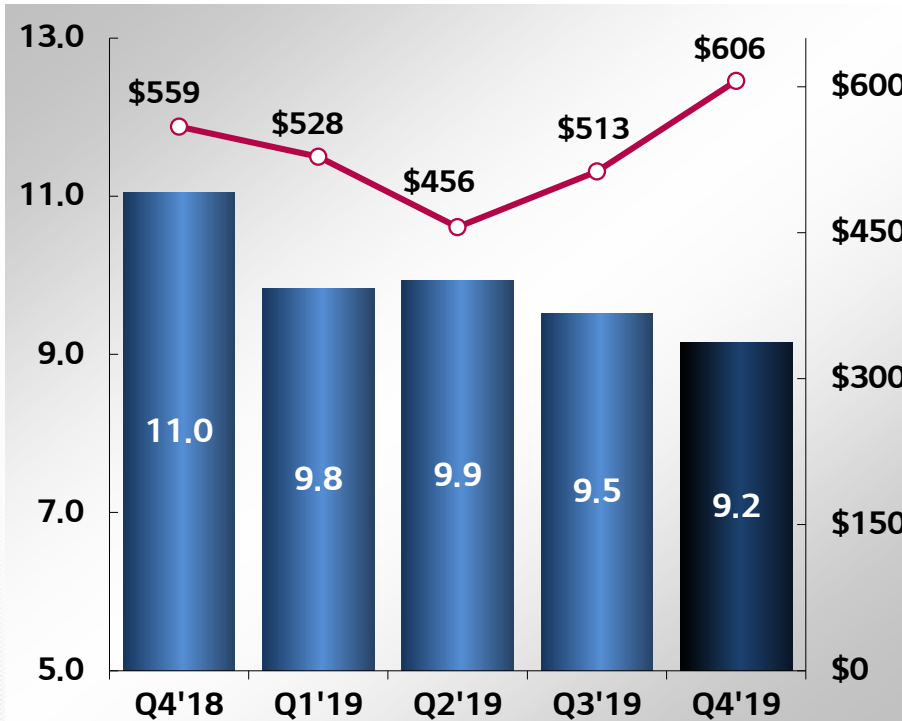
	Q4'18	Q3'19	Q4'19	QoQ	YoY
Operating Income	279 4%	-436 -8%	-422 -7%	N/A	N/A
EBITDA*	1,134 16%	613 11%	586 9%	-4%	-44%
Income Before Tax	235	-600	-2,173	N/A	N/A
Net Income	153	-442	-1,817	N/A	N/A

\* EBITDA = Operating Income + Depreciation + Amortization *K-IFRS (Consolidated)*

# Shipment, ASP and Capacity

## Shipment and ASP

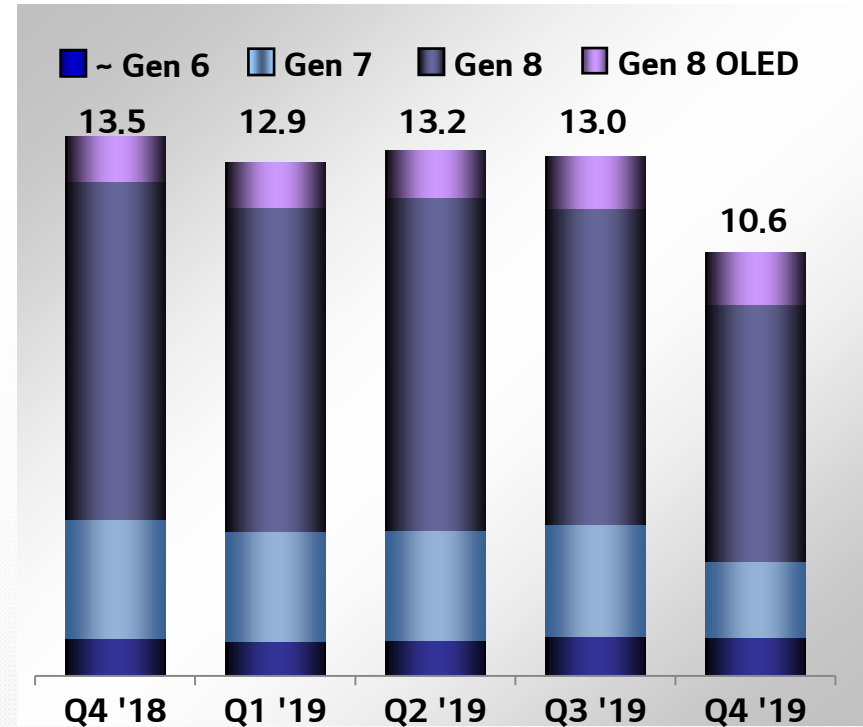
(Unit : M m<sup>2</sup>, ASP/m<sup>2</sup>)



Net Display area shipment in M m<sup>2</sup>  
 ASP per m<sup>2</sup> (USD)

## Capacity

(Unit : M m<sup>2</sup>)



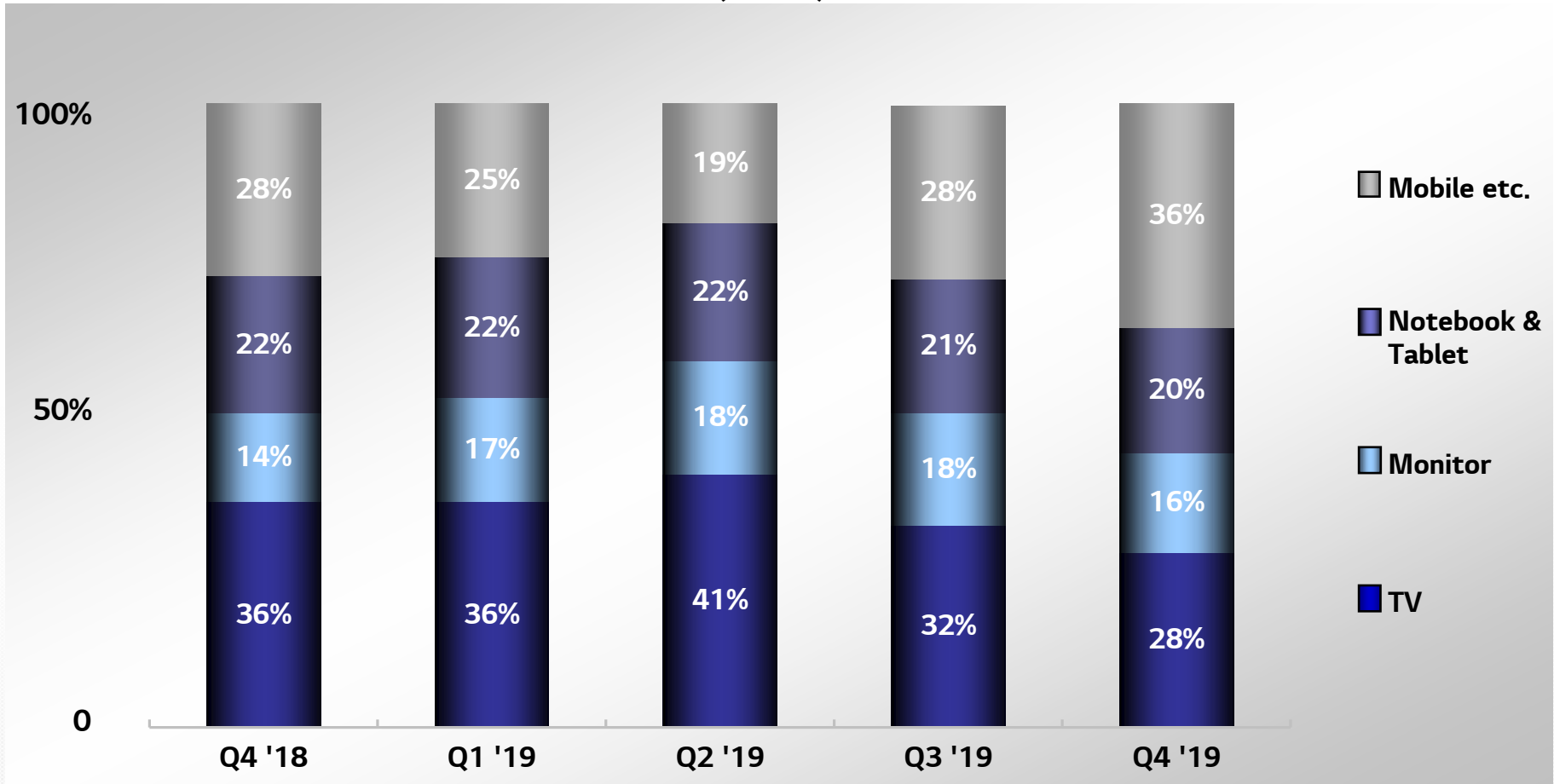
Quarterly producible capacity by area

Source: Company financials

# Revenue: Product Mix

## Product Mix by Rev.

(Unit : %)



Source: Unaudited, Company financials (KRW)

# Financial Positions & Ratios

## Financial Positions

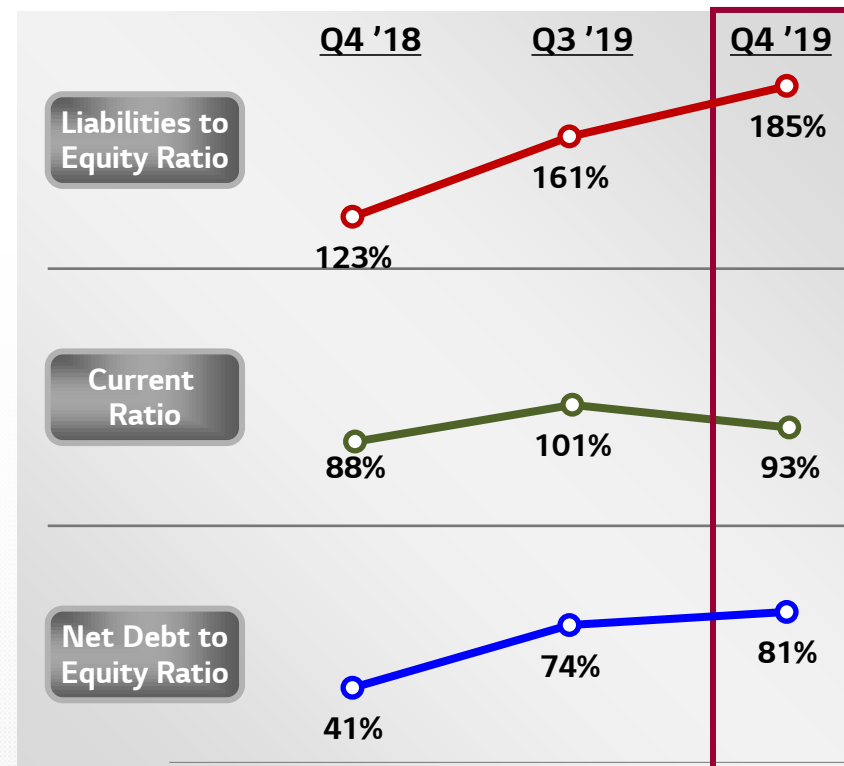
(Unit : KRW B)

	Q4 '18	Q3 '19	Q4 '19
<b>Assets</b>	<b>33,176</b>	<b>37,443</b>	<b>35,575</b>
Current Assets	8,800	10,780	10,248
Cash*	2,443	2,838	3,415
Inventory	2,691	2,727	2,051
Non-Current Assets	24,376	26,663	25,326
<b>Liabilities</b>	<b>18,289</b>	<b>23,117</b>	<b>23,086</b>
Current Liabilities	9,954	10,641	10,985
Non-Current Liab.	8,335	12,476	12,101
<b>Shareholders' Equity</b>	<b>14,886</b>	<b>14,326</b>	<b>12,488</b>
<b>Debts</b>	<b>8,559</b>	<b>13,429</b>	<b>13,481</b>
<b>Net Debts</b>	<b>6,115</b>	<b>10,591</b>	<b>10,066</b>

\* Cash includes short term financial instruments.

## Financial Ratios

(Unit : %)



K-IFRS (Consolidated)

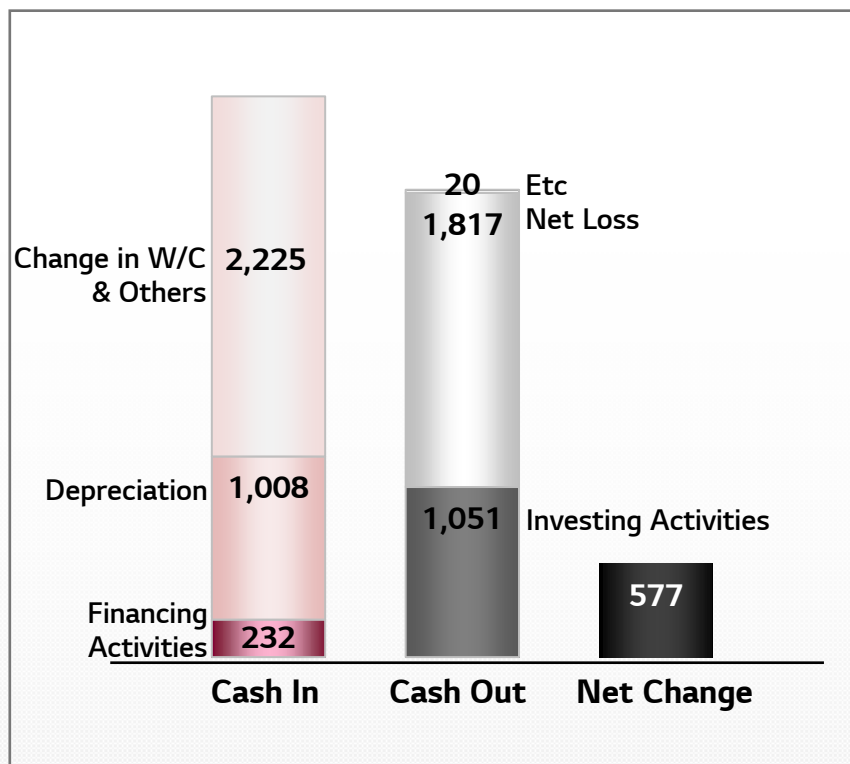
Source : Unaudited, Company financials

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

# Cash Flow

## Net Cash Flow

(Unit : KRW B)



## Cash Flow Statement

(Unit : KRW B)

	Q4 '19
<b>Cash at the Beginning of Quarter</b>	<b>2,838</b>
<b>Cash Flow from Operating Activities</b>	<b>1,416</b>
<i>Net Income</i>	<i>(1,817)</i>
<i>Depreciation &amp; Amortization</i>	<i>1,008</i>
<i>Change in Working Capital &amp; Others</i>	<i>2,225</i>
<b>Cash Flow from Investing Activities</b>	<b>(1,051)</b>
<b>Cash Flow before Financing Activities</b>	<b>365</b>
<i>Financing Activities</i>	<i>232</i>
<i>Others</i>	<i>(20)</i>
<b>Net Change in Cash</b>	<b>577</b>
<b>Cash at the End of Quarter</b>	<b>3,415</b>

K-IFRS (Consolidated)

# Outlook





# Question and Answers



You Dream,  
We Display.





# Appendix

# IFRS Statements of Income

Unit: KRW Bn

Accounts	Q3'16	Q4'16	2016	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019
Revenue	6,724	7,936	26,504	7,062	6,629	6,973	7,126	27,790	5,675	5,611	6,103	6,948	24,337	5,879	5,353	5,822	6,422	23,476
COGS	5,784	6,362	22,754	5,343	5,115	5,717	6,249	22,424	5,133	5,144	5,214	5,761	21,252	5,246	4,872	5,520	5,969	21,607
Gross Profit	940	1,574	3,750	1,719	1,514	1,256	877	5,366	542	467	889	1,187	3,085	633	481	302	452	1,868
Operating Income	323	904	1,311	1,027	804	586	45	2,462	-98	-228	140	279	93	-132	-369	-436	-422	-1,359
EBITDA	1,024	1,624	4,333	1,743	1,583	1,420	930	5,676	812	681	1,020	1,134	3,647	679	458	613	586	2,336
Income before tax	248	1,065	1,316	858	832	599	44	2,333	-96	-340	110	235	-91	-129	-442	-600	-2,173	-3,344
Net Income	190	825	932	679	737	477	44	1,937	-49	-301	18	153	-179	-63	-550	-442	-1,817	-2,872
EPS (Unit: KRW)	530	2,305	2,603	1,899	2,059	1,334	122	5,414	-137	-840	49	427	-501	-175	-1,538	-1,236	-5,078	-8,027
<b>Margins (%)</b>																		
Gross Margin	14.0	19.8	14.1	24.3	22.8	18.0	12.3	19.3	9.6	8.3	14.6	17.1	12.7	10.8	9.0	5.2	7.0	8.0
Operating Margin	4.8	11.4	4.9	14.5	12.1	8.4	0.6	8.9	-1.7	-4.1	2.3	4.0	0.4	-2.2	-6.9	-7.5	-6.6	-5.8
EBITDA Margin	15.2	20.5	16.3	24.7	23.9	20.4	13.1	20.4	14.3	12.1	16.7	16.3	15.0	11.5	8.6	10.5	9.1	10.0

Source: Unaudited, Company financials

*K-IFRS (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	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19
<b>Assets</b>	23,570	24,884	24,805	26,501	28,792	29,160	29,995	31,444	32,120	33,176	35,388	35,601	37,443	35,575
A/R	4,107	4,958	4,431	4,466	4,848	4,325	3,496	3,491	3,302	2,829	3,386	2,676	3,621	3,154
Cash*	2,481	2,722	2,303	2,602	3,302	3,360	3,497	3,197	2,839	2,443	2,483	2,502	2,838	3,415
Inventory	2,492	2,288	2,283	2,343	2,664	2,350	2,350	2,430	2,587	2,691	2,630	2,569	2,727	2,051
<b>Liabilities</b>	11,269	11,422	11,096	11,912	13,624	14,178	15,170	16,911	17,428	18,289	20,098	20,872	23,117	23,086
A/P	3,070	2,877	2,437	2,444	2,963	2,875	2,803	2,970	3,177	3,087	2,970	2,815	2,673	2,618
Short-term debts	1,113	668	767	834	1,219	1,453	2,148	2,182	2,049	1,554	1,549	1,803	1,875	1,940
Long-term debts	3,680	4,111	3,917	4,188	4,165	4,150	4,584	5,384	5,665	7,005	9,151	9,605	11,554	11,541
Shareholders' Equity	12,301	13,462	13,709	14,589	15,168	14,982	14,825	14,533	14,692	14,887	15,290	14,729	14,326	12,488
BPS (Unit: KRW)	34,380	37,624	38,313	40,774	42,391	41,869	41,434	40,615	41,060	41,603	42,730	41,162	40,037	34,901
Net debt to equity ratio (%)	18.8	15.3	17.4	16.6	13.7	15.0	21.8	30.1	33.2	41.1	53.7	60.5	73.9	80.6

Source: Unaudited, Company financials

K-IFRS (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	Q3'16	Q4'16	2016	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019
Net Income	190	825	932	679	737	477	44	1,937	-49	-301	18	153	-179	-63	-550	-442	-1,817	-2,872
Depreciation & Amortization	700	721	3,022	716	779	834	885	3,214	910	909	881	855	3,555	811	827	1,049	1,008	3,695
Others	128	754	418	-325	564	830	-129	940	-753	743	266	-514	-258	-250	592	590	1,137	2,069
Working Capital*	1	-840	-684	92	-90	-183	749	568	756	92	240	279	1,367	-613	616	-1,245	1,088	-154
Cash flow from Operating Activities	1,019	1,460	3,688	1,162	1,990	1,958	1,549	6,659	864	1,443	1,405	773	4,485	-115	1,485	-48	1,416	2,738
Cash flow from Investing Activities**	-1,029	-1,009	-3,798	-1,638	-1,793	-1,587	-1,865	-6,883	-1,843	-2,282	-2,224	-2,006	-8,355	-2,137	-2,108	-1,459	-1,051	-6,755
Net Cash flow before Financing Activities	-10	451	-110	-476	197	371	-316	-224	-979	-839	-819	-1,233	-3,870	-2,252	-623	-1,507	365	-4,017
Financing Activities	39	-205	504	57	276	336	374	1,043	1,116	718	180	837	2,851	2,029	664	1,858	232	4,783
Dividends	0	0	-179	0	-179	0	0	-179	0	-179	0	0	-179	0	0	0	0	0
Change in non-controlling interest***	0	-6	-17	0	4	-6	0	-2	0	0	281	0	281	262	-22	-15	-20	205
Net Change in cash	29	240	198	-419	298	701	58	638	137	-300	-359	-396	-917	39	20	336	577	971

Source: Unaudited, Company financials

K-IFRS (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.

\*\*\* Equity investments from other companies

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

# EBITDA Calculation

Unit: KRW Bn

Account	Q3'16	Q4'16	2016	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019
1. Operating Income	323	904	1,311	1,027	804	586	45	2,462	-98	-228	140	279	93	-132	-369	-436	-422	-1,359
2. Depreciation	604	608	2,644	611	668	734	779	2,792	808	799	769	749	3,125	696	715	947	911	3,269
3. Amortization	96	112	377	105	111	100	106	422	102	110	111	106	429	115	112	102	97	426
EBITDA (1+2+3)	1023	1624	4,332	1,743	1,583	1,420	930	5,676	812	681	1,020	1,134	3,647	679	458	613	586	2,336

Source: Unaudited, Company financials

*K-IFRS (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.