

LG Display Co., Ltd.
Form 6-K
May 15, 2012
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 UNDER
THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2012

LG Display Co., Ltd.

(Translation of Registrant's name into English)

LG Twin Towers, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 150-721, Republic of Korea

(Address of principal executive offices)

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Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Note: Regulation S-T Rule 101(b)(1) only permits the submission in paper of a Form 6-K if submitted solely to provide an attached annual report to security holders.

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Note: Regulation S-T Rule 101(b)(7) only permits the submission in paper of a Form 6-K if submission to furnish a report or other document that the registration foreign private issuer must furnish and make public under the laws of the jurisdiction in which the registrant is incorporated, domiciled or legally organized (the registrant's home country), or under the rules of the home country exchange on which the registrant's securities are traded, as long as the report or other document is not a press release, is not required to be and has not been distributed to the registrant's security holders, and if discussing a material event, has already been the subject of a Form 6-K submission or other Commission filing on EDGAR.

Indicate by check mark whether by furnishing the information contained in this Form, the registrant is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

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QUARTERLY REPORT

(From January 1, 2012 to March 31, 2012)

THIS IS A TRANSLATION OF THE QUARTERLY REPORT ORIGINALLY PREPARED IN KOREAN AND IS IN SUCH FORM AS REQUIRED BY THE KOREAN FINANCIAL SUPERVISORY COMMISSION.

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED AND CERTAIN NUMBERS WERE ROUNDED FOR THE CONVENIENCE OF READERS. REFERENCES TO Q1 , Q2 AND Q3 OF A FISCAL YEAR ARE REFERENCES TO THE THREE-MONTH PERIODS ENDED MARCH 31, JUNE 30 AND SEPTEMBER 30, RESPECTIVELY, OF SUCH FISCAL YEAR.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION CONTAINED HEREIN IS PRESENTED ON A CONSOLIDATED BASIS IN ACCORDANCE WITH KOREAN INTERNATIONAL FINANCIAL REPORTING STANDARDS, OR K-IFRS, WHICH DIFFER IN CERTAIN RESPECTS FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES IN CERTAIN OTHER COUNTRIES, INCLUDING THE UNITED STATES. WE HAVE MADE NO ATTEMPT TO IDENTIFY OR QUANTIFY THE IMPACT OF THESE DIFFERENCES IN THIS DOCUMENT.

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Attachment: 1. Financial Statements in accordance with K-IFRS

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The name of our company is EL-GI DISPLAY CHUSIK HOESA, which shall be LG Display Co., Ltd. in English.

Our principal executive office is located at LG Twin Towers, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 150-721, Republic of Korea, Republic of Korea, and our telephone number is +82-2-3777-1114. Our website address is <http://www.lgdisplay.com>.

B. Domestic credit rating

| Subject | Month of rating | Credit rating | Rating agency (Rating range) |
|---------------------|-----------------|---------------|---|
| Commercial Paper | January 2006 | | |
| | June 2006 | | |
| | December 2006 | | |
| | June 2007 | A1 | National Information & Credit Evaluation, Inc. (A1 ~ D) |
| | December 2007 | | |
| | September 2008 | | |
| | December 2008 | | |
| | June 2006 | | |
| | January 2007 | | Korea Investors Service, Inc. |
| | June 2007 | A1 | (A1 ~ D) |
| Corporate Debenture | December 2007 | | |
| | September 2008 | | |
| | June 2006 | AA- | |
| | December 2006 | | |
| | June 2007 | A+ | |
| | September 2008 | | |
| | July 2009 | AA- | National Information & Credit Evaluation, Inc. (AAA ~ D) |
| | October 2009 | | |
| | February 2010 | | |
| | May 2010 | AA- | |
| | December 2010 | | |
| | July 2011 | | |
| | June 2006 | AA- | Korea Investors Service, Inc. |
| | January 2007 | A+ | (AAA ~ D) |

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| | | |
|----------------|-----|---------------------|
| June 2007 | | |
| September 2008 | | |
| July 2009 | | |
| December 2009 | | |
| February 2010 | | |
| May 2010 | | |
| August 2010 | AA- | |
| February 2011 | | |
| April 2011 | | |
| August 2011 | | |
| October 2011 | | |
| October 2009 | | |
| December 2009 | | |
| August 2010 | | Korea Ratings, Inc. |
| December 2010 | AA- | |
| February 2011 | | |
| April 2011 | | (AAA ~ D) |
| July 2011 | | |
| October 2011 | | |

C. Capitalization

(1) Change in capital stock (as of March 31, 2012)

(Unit: Won, Share)

| Date | Description | Change in number of common shares | Face amount per share |
|-------------------|-----------------------------------|-----------------------------------|-----------------------|
| July 23, 2004 | Offering ⁽¹⁾ | 33,600,000 | 5,000 |
| September 8, 2004 | Follow-on offering ⁽²⁾ | 1,715,700 | 5,000 |
| July 27, 2005 | Follow-on offering ⁽³⁾ | 32,500,000 | 5,000 |

- (1) ADSs offering: 24,960,000 shares (US\$30 per share, US\$15 per ADS) / Initial public offering in Korea: 8,640,000 shares (W34,500 per share)
- (2) ADSs offering: 1,715,700 shares (W34,500 per share) pursuant to the exercise of greenshoe option by the underwriters
- (3) ADSs offering: 32,500,000 shares (US\$42.64 per share, US\$21.32 per ADS)

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(2) Convertible bonds (as of March 31, 2012)

(Unit: In millions of Won, Share)

| | | |
|----------------------------------|--|--|
| Issue date: | | April 18, 2007 |
| Maturity: | | April 18, 2012 ⁽³⁾ |
| Face amount: ⁽¹⁾ | | (Won)513,480 |
| Conversion shares: | | Registered common shares |
| Conversion period: | | Convertible into shares of common stock during the period from April 19, 2008 to April 3, 2012 |
| Conversion price: ⁽²⁾ | | (Won)47,892 per share |
| Outstanding ⁽³⁾ | Face amount: | (Won)61,618 |
| | Number of convertible shares: ⁽²⁾ | 1,286,594 shares, assuming full conversion |
| Remarks: | | - Registered form |
| | | - Listed on Singapore Exchange |

- (1) Face amount translated from US\$550 million at the noon buying rate of the Federal Reserve Bank of New York in effect on April 10, 2007 (which was the date the convertible bond purchase agreement was entered into), which was (Won)933.6 = US\$1.00.
- (2) Conversion price was adjusted from (Won)49,070 to (Won)48,760 and the number of convertible shares was adjusted from 10,464,234 to 10,530,762 following the approval by the shareholders of a cash dividend of (Won)750 per share at the annual general meeting of shareholders on February 29, 2008. Conversion price was further adjusted from (Won)48,760 to (Won)48,251 and the number of shares issuable upon conversion was adjusted from 10,530,762 to 10,641,851 following the approval by the shareholders of a cash dividend of (Won)500 per share at the annual general meeting of shareholders on March 13, 2009. Conversion price was further adjusted from (Won)48,251 to (Won)48,075 and the number of shares issuable upon conversion was adjusted from 10,641,851 to 10,680,811 following the approval by the shareholders of a cash dividend of (Won)500 per share at the annual general meeting of shareholders on March 12, 2010. In April 2010, certain holders of our US\$550 million convertible bonds due 2012 exercised their put option for an aggregate principal amount of US\$484 million and were repaid at 109.75% of their principal amount. Accordingly, the number of shares issuable upon conversion changed from 10,680,811 to 1,281,697. Conversion price was further adjusted from (Won)48,075 to (Won)47,892 and the number of shares issuable upon conversion was adjusted from 1,281,697 to 1,286,594 following the approval by the shareholders of a cash dividend of (Won)500 per share at the annual general meeting of shareholders on March 11, 2011.
- (3) The remaining US\$66 million of these convertible bonds were repaid in full upon their maturity on April 18, 2012 at 116.77% of their principal amount.

D. Voting rights (as of March 31, 2012)

| Description | (Unit: share) Number of shares |
|---|-----------------------------------|
| A. Total shares issued: | 357,815,700 |
| B. Shares without voting rights: | |
| C. Shares subject to restrictions on voting rights pursuant to our articles of incorporation: | |
| D. Shares subject to restrictions on voting rights pursuant to regulations: | |
| E. Shares with restored voting rights: | |
| Total number of issued shares with voting rights (=A - B - C + D + E): | 357,815,700 |

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E. Dividends

At the annual general meeting of shareholders on March 9, 2012, we did not declare a cash dividend to our shareholders.

Dividends during the recent three fiscal years

| Description (unit) | 2011 | 2010 | 2009 |
|---|--------------------------|--------------------------|--------------------------|
| Par value (Won) | 5,000 | 5,000 | 5,000 |
| Profit (loss) for the period / Net income (million Won) | (991,032) ⁽³⁾ | 1,002,648 ⁽³⁾ | 1,067,947 ⁽⁴⁾ |
| Earnings per share (Won) ⁽¹⁾ | (2,770) | 2,802 | 2,985 |
| Total cash dividend amount (million Won) | | 178,908 | 178,908 |
| Total stock dividend amount (million Won) | | | |
| Cash dividend payout ratio (%) | | 17.8 | 16.8 |
| Cash dividend yield (%) ⁽²⁾ | | 1.3 | 1.3 |
| Stock dividend yield (%) | | | |
| Cash dividend per share (Won) | | 500 | 500 |
| Stock dividend per share (share) | | | |

- (1) Earnings per share is based on par value of (Won)5,000 per share and is calculated by dividing net income by weighted average number of common stock.
- (2) Cash dividend yield is the percentage that is derived by dividing cash dividend by the arithmetic average of the daily closing prices of our common stock during the one-week period ending two trading days prior to the closing of the register of shareholders for the purpose of determining the shareholders entitled to receive annual dividends.
- (3) Profit for the period based on separate K-IFRS.
- (4) Net income based on non-consolidated Korean GAAP.

2. Business

A. Business overview

We were incorporated in February 1985 under the laws of the Republic of Korea. LG Electronics and LG Semicon transferred their respective LCD business to us in 1998, and since then, our business has been focused on the research, development, manufacture and sale of display panels, applying technologies such as TFT-LCD, LTPS-LCD and OLED.

As of March 31, 2012, we operated TFT-LCD and OLED production facilities in Paju and Gumi, Korea and a LCD research center in Paju, Korea. We have also established subsidiaries in the Americas, Europe and Asia.

As of March 31, 2012, our business consisted of the manufacture and sale of LCD and OLED panels and monitor products. Because our non-LCD business represented an extremely small portion of our assets and revenues as of and for the three months ended March 31, 2012, we have included them as part of our LCD reporting business segment.

2012 (Q1) Financial highlights by business (based on K-IFRS)

| 2012 (Q1) | (Unit: In billions of Won) LCD business |
|-------------------------|--|
| Sales Revenue | 6,184 |
| Gross Profit | 328 |
| Operating Profit (Loss) | (178) |

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B. Industry

(1) Industry characteristics and growth potential

- TFT-LCD technology is one of the widely used technologies in the manufacture of flat panel displays, and the demand for flat panel displays is growing. The flat panel display industry is characterized by entry barriers due to rapidly evolving technology, capital-intensive characteristics, and the significant investments required to achieve economies of scale, among other factors. There is intense competition among the players in the industry, and the industry as a whole has experienced continued growth in its production capacity in response to growth in demand for flat panel displays.

- The demand for LCD panels for notebook computers and desktop monitors has grown, to a degree, in tandem with the growth in the information technology industry. The demand for LCD panels for television sets has been growing as digital broadcasting is becoming more common and as LCD television has come to play an important role in the digital display market. In addition, markets for small- to medium-sized LCD panels, such as those used in mobile phones (including smartphones), smartbooks, medical applications, automobile navigation systems and e-books, among others, have shown continued growth.

- The average selling prices of LCD panels may continue to decline with time irrespective of general business cycles as a result of, among other factors, technology advancements and cost reductions.

(2) Cyclicalities

- The TFT-LCD business is highly cyclical. In spite of the increased demand for products, this industry has experienced periodic volatility caused by imbalances between supply and demand due to capacity expansion within the industry.

- Macroeconomic factors and other causes of business cycles can affect the rate of growth in demand for display panels. Accordingly, if supply exceeds demand, average selling prices of display panels may decrease. Conversely, if growth in demand outpaces growth in supply, average selling prices may increase.

(3) Market conditions

- Since 2011, due to a general overcapacity in the TFT-LCD industry, TFT-LCD panel makers have slowed their respective rates of production capacity growth, while a number of them are pursuing other strategic alternatives such as mergers or formation of new alliances.

- Most TFT-LCD panel makers are located in Asia.
 - a. Korea: LG Display, Samsung Display, Samsung Mobile Display, Hydis Technologies, etc.

 - b. Taiwan: AU Optronics, Chimei Innolux, CPT, HannStar, etc.

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c. Japan: Japan Display, Sharp, Panasonic LCD, etc.

d. China: BOE, CSOT, CEC-Panda, etc.

(4) Market shares

- Our worldwide market share of large-sized TFT-LCD panels (i.e., TFT-LCD panels that are 9 inches or larger) based on revenue is as follows:

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| | 2012 (Q1) ⁽¹⁾ | 2011 ⁽²⁾ | 2010 ⁽³⁾ |
|--|--------------------------|---------------------|---------------------|
| Panels for Notebook Computers ⁽⁴⁾ | 33.1% | 34.9% | 33.2% |
| Panels for Monitors | 31.5% | 28.3% | 26.5% |
| Panels for Televisions | 23.9% | 24.7% | 23.4% |
| Total | 27.4% | 27.3% | 25.4% |

- (1) Source: 2012 Q1 DisplaySearch Quarterly Large-Area TFT LCD Shipment Report – Advanced LED+3D.
(2) Source: 2011 Q4 DisplaySearch Quarterly Large-Area TFT LCD Shipment Report (advanced version with LED backlight).
(3) Source: 2010 Q4 DisplaySearch Large-Area TFT LCD Shipment Report (advanced version with LED backlight).
(4) Includes panels for netbooks.

(5) Competitiveness

- Our ability to compete successfully depends on factors both within and outside our control, including product pricing, our relationship with customers, successful and timely investment and product development, cost competitiveness, success in marketing to our end-brand customers, component and raw material supply costs, foreign exchange rates and general economic and industry conditions.
- In order to compete effectively, it is critical to be cost competitive and maintain stable and long-term relationships with customers which will enable us to be profitable even in a buyer's market.
- A substantial portion of our sales is attributable to a limited number of end-brand customers and their designated system integrators. The loss of these end-brand customers, as a result of customers entering into strategic supplier arrangements with our competitors or otherwise, would result in reduced sales.
- Developing new products and technologies that can be differentiated from those of our competitors is critical to the success of our business. It is important that we take active measures to protect our intellectual property internationally by obtaining patents and undertaking monitoring activities in our major markets. It is also necessary to recruit and retain experienced key managerial personnel and skilled line operators.
- As a leading technology innovator in the display industry, we continue to focus on delivering differentiated value to our customers by developing new technologies and products, including in the categories of 3D, touch screens and next generation displays. With respect to 3D technology, we have commenced mass production of high definition 3D panels with reduced degrees of crosstalk, or the degree of 3D image overlapping, of less than 1% (which is less than what the human eye can perceive). We have also acquired the technical skills and have established a supply chain management system that enables us to provide one-stop solutions to our customers with respect to touch module products. In addition, we have shown that we are technologically a step ahead of the competition by developing products such as 10.1-inch flexible LCDs, 2.6 mm thin televisions (the thinnest in the world at the time) and 19-inch flexible e-papers. We are a leader in large OLED panel display technology, as demonstrated by our 55-inch OLED display panel unveiled at the Consumer Electronics Show in Las Vegas in January 2012, which was the largest OLED panel at the time.
- Moreover, we entered into long-term sales contracts with major global firms to secure customers and expand partnerships for technology development.

C. New businesses

- In order to meet the rapidly increasing market demand for large TFT-LCD panels, we successfully commenced mass production at P83, an eighth generation fabrication line located in our P8 facility, in March 2011. In January 2011, we also decided to invest in a new eighth generation production facility, P9.

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- We also plan to strengthen our market position in future display technologies by strengthening our OLED business, accelerating the development of flexible display technologies and maintaining our leadership position in the LED backlight LCD market.

- We are making an effort to increase our competitiveness, including in the LCD component parts market, by forming cooperative relationships with suppliers and purchasers of our products. As part of this effort, in March 2005, we established a joint venture company, Paju Electric Glass Co., Ltd., with Nippon Electric Glass Co., Ltd. We invested (Won)14.4 billion in return for a 40% interest in Paju Electric Glass Co., Ltd. In November 2010 and April 2011, we invested an additional (Won)14.8 billion and W4.4 billion, respectively, in Paju Electric Glass Co., Ltd. but the additional investments did not change our percentage interest in Paju Electric Glass Co., Ltd. In July 2008, we purchased 6,850,000 shares of common stock of New Optics Ltd. at a purchase price of W9.7 billion, and in February 2010, we purchased an additional 1,000,000 shares of common stock of New Optics at a purchase price of W2.5 billion. In January 2010, we purchased 10.8 million shares of Can Yang Investment Limited representing a 15% interest at a purchase price of US\$10.8 million. In October 2010, we invested an additional US\$4.5 million and acquired 4.8 million additional shares of Can Yang Investment Limited.

- In October 2008, we established a joint venture company, Suzhou Raken Technology Ltd., with AmTRAN Technology Co., Ltd., a Taiwan corporation. We invested US\$10.4 million in return for a 51% interest in Suzhou Raken Technology Ltd. Suzhou Raken Technology Ltd. will supply both parties with TFT-LCD modules and TFT-LCD televisions. Through the establishment of this joint venture, we are able to further expand our customer base by securing a stable long-term panel dealer. In 2009 and 2010, we invested an additional US\$58.7 million and US\$14.5 million, respectively, in Suzhou Raken Technology Ltd., but the additional investments did not change our percentage interest in Suzhou Raken Technology Ltd.

- As part of our strategy to expand our production capacity overseas, we signed an investment agreement and a joint venture agreement in November 2009 with the City of Guangzhou, China, to build an eighth-generation panel fabrication facility in China.

- In December 2009, certain LG affiliates and we entered into a joint venture investment agreement and established a joint venture company, Global OLED Technology LLC, for purposes of managing the patent assets relating to OLED technology that we acquired from Eastman Kodak Company in December 2009. As of December 31, 2009, we had invested (Won)72.3 billion in return for a 49% equity interest in the joint venture company. In June 2010, we sold (Won)19.0 billion worth of our equity interest in the joint venture company. After such sale, our equity interest was reduced to 32.73%.

- In December 2009, we acquired a 30.6% limited partnership interest in LB Gemini New Growth Fund No. 16. Under the limited partnership agreement, we agreed to invest a total amount of (Won)30 billion in the fund, and as of December 31, 2010, we had invested (Won)8.3 billion in the fund. By becoming a limited partner of this fund, our aim is to seek direct investment opportunities as well as to receive benefits from the investment. In February 2011, we received a distribution of (Won)1.4 billion from the fund, and in March and April 2011, we invested an additional (Won)1.9 billion and (Won)3.1 billion, respectively, in the fund. In June 2011, we received a further distribution of (Won)0.7 billion as return of principal and (Won)0.9 billion as dividends and we invested an additional (Won)1.2 billion in the fund. In December 2011, we invested an additional (Won)2.0 billion in the fund. The additional investments did not change our investment commitment amount of (Won)30 billion or our limited partnership interest in the fund, which remained at 30.6%.

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- In order to establish a production base for LCD modules, LCD television sets and LCD monitors, we entered into a joint investment agreement with Top Victory Investment Ltd. in January 2010 and established L&T Display Technology (Xiamen) Ltd. and L&T Display Technology (Fujian) Ltd. in Xiamen and Fujian, China, respectively. We invested (i) (Won)7.1 billion and acquired a 51% equity interest in L&T Display Technology (Xiamen) Ltd. and (ii) (Won)10.1 billion and acquired a 51% equity interest in L&T Display Technology (Fujian) Ltd.
- In May 2010, we completed the acquisition of the LCD module division of LG Innotek Co., Ltd. Through this acquisition, we expect to improve our module manufacturing process and simplify our supply chain which will increase our efficiency and competitiveness.
- In August 2010, in order to strengthen our competitiveness in the LED backlight LCD market, we entered into a joint venture with Everlight Electronics Co., Ltd. and AmTRAN Technology Co., Ltd. and established Eralite Optoelectronics (Jiangsu) Co., Ltd., a company that specializes in LED packaging and manufacturing, in Suzhou, China. We invested US\$4 million and acquired a 20% equity interest in Eralite Optoelectronics (Jiangsu) Co., Ltd.
- In September 2010, in order to strengthen our OLED business, we acquired a 20% equity interest in YAS Co., Ltd., which develops and manufactures OLED deposition equipment components, at a purchase price of (Won)10 billion.
- In November 2010, in order to strengthen our e-book business, we acquired a 100% equity interest in Image & Materials, Inc., a company that develops and manufactures e-book deposition equipment components, at a purchase price of (Won)35 billion. In each of June 2011, September 2011 and February 2012, we invested an additional (Won)3.0 billion in Image & Materials, Inc.
- In October 2010, in order to strengthen our competitiveness in the e-book market, we entered into a joint venture with Iriver Ltd. and established L&I Electronics Technology (Dongguan) Limited, a company that specializes in e-book manufacturing, in Dongguan, China. We invested US\$2.6 million and acquired a 51% equity interest in L&I Electronics Technology (Dongguan) Limited.
- In November 2010, in order to build Backlight-Module-System (BMS) lines that would help differentiate our technical skills from those of our competitors and increase our cost competitiveness, we entered into a joint venture with Compal Electronics, Inc., a Taiwanese company, and established LUCOM Display Technology (Kunshan) Ltd. in Kunshan, China. We invested US\$2.3 million and acquired a 51% equity interest in LUCOM Display Technology (Kunshan) Ltd. In February and April 2011, we invested an additional US\$ 3.1 million and US\$2.3 million, respectively, in LUCOM Display Technology (Kunshan) Ltd., but the additional investments did not change our percentage interest in LUCOM Display Technology (Kunshan) Ltd.
- In April 2011, in order to enhance the product quality and assist the local development of coaters, a component used in our TFT-LCD products, we invested (Won)20 billion and acquired a 16.6% interest in Narae Nanotech Corporation, a Korean equipment manufacturer. In June 2011, we invested an additional (Won)10.0 billion and acquired a further 7.7% interest in Narae Nanotech Corporation. As of March 31, 2012, we held a 23% equity interest in Narae Nanotech Corporation.
- In December 2011, in order to improve our cost competitiveness with respect to the glass substrate etching stage of our TFT-LCD panel manufacturing process, we invested (Won)10.6 billion and acquired a 20.3% interest in Avatec Co., Ltd., a third party glass substrate etching processor.
- In December 2011, in order to expand our module production capacity, we established LG Display U.S.A. Inc. in Texas, United States, and LG Display Reynosa S.A. de C.V. in Reynosa, Mexico. We invested in the form of paid-in capital (Won)12.4 billion and (Won)9.2 billion in LG Display U.S.A. Inc. and LG Display Reynosa S.A. de C.V., respectively. We currently own a 100% interest in LG Display U.S.A. Inc. and a 99% interest in LG Display Reynosa S.A. de C.V. LG Display U.S.A. Inc. owns the remaining 1%

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interest in LG Display Reynosa S.A. de C.V.

- In April 2012, in order to improve our cost competitiveness with respect to tempered glass used for touchscreens, we invested (Won)2.0 billion and acquired a 19.8% interest in Glonix Co., Ltd.

Table of Contents**3. Major Products and Raw Materials****A. Major products**

We manufacture TFT-LCD panels, of which a significant majority is exported overseas.

(Unit: In billions of Won, except percentages)

| Business Area | Sales | | Usage | Major trademark | Sales in 2012 Q1 (%) |
|---------------|-----------------------------|------------------------------------|--|-----------------|----------------------|
| | Type | Items (Market) | | | |
| TFT-LCD | Product/Service/Other Sales | TFT-LCD (Overseas ⁽¹⁾) | Panels for Notebook Computer, Monitor, Television, etc | LG Display | 5,685 (91.9%) |
| | | TFT-LCD (Korea ⁽¹⁾) | Panels for Notebook Computer, Monitor, Television, etc | LG Display | 499(8.1%) |
| Total | | | | | 6,184(100%) |

(1) Based on ship-to-party.

B. Average selling price trend of major products

The average selling price of LCD panels per square meter of net display area shipped in the first quarter of 2012 decreased by 2% from the fourth quarter of 2011. There is no assurance that the average selling prices of LCD panels will not fluctuate in the future due to imbalances in supply and demand.

(Unit: US\$ / m²)

| Description | 2012 Q1 | 2011 Q4 | 2011 Q3 | 2011 Q2 |
|---------------------------------|---------|---------|---------|---------|
| TFT-LCD panel ⁽¹⁾⁽²⁾ | 669 | 684 | 705 | 747 |

(1) Quarterly average selling price per square meter of net display area shipped.

(2) Excludes semi-finished products in the cell process.

C. Major raw materials

Prices of major raw materials depend on fluctuations in supply and demand in the market as well as on change in size and quantity of raw materials due to the increased production of large-sized panels.

(Unit: In billions of Won, except percentages)

| Business Area | Purchase Type | Items | Usage | Cost ⁽¹⁾ | Ratio (%) | Suppliers |
|---------------|---------------|-----------|---------------|---------------------|-----------|--|
| | | | | | | Suppliers |
| TFT-LCD | Raw Materials | Glass | LCD panel | 830 | 21.11% | Samsung Corning Precision |
| | | Backlight | manufacturing | 1,266 | 32.19% | Glass Co., Ltd., Nippon Electric Glass Co., Ltd., etc. |
| | | Polarizer | | 612 | 15.56% | Heesung Electronics Ltd., etc. |
| | | Others | | 1,225 | 31.14% | LG Chem, etc. |
| Total | | | | 3,933 | 100% | - |

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- Period: January 1, 2012 ~ March 31, 2012.
- (1) Based on total cost for purchase of raw materials which includes manufacturing and development costs, etc.

Table of Contents**4. Production and Equipment**

A. Production capacity and output

(1) Production capacity

The table below sets forth the production capacity of our Gumi and Paju facilities in the periods indicated.

(Unit: 1,000 Glass sheets)

| Business area | Items | Location of facilities | 2012 (Q1) ⁽¹⁾ | 2011 ⁽²⁾ | 2010 ⁽²⁾ |
|---------------|---------|------------------------|--------------------------|---------------------|---------------------|
| TFT-LCD | TFT-LCD | Gumi, Paju | 1,950 | 8,376 | 7,509 |

- (1) Calculated based on the maximum monthly input capacity (based on glass input substrate size for eighth generation glass sheets) during the period multiplied by the number of months in the period (i.e., 3 months).
- (2) Calculated based on the maximum monthly input capacity (based on glass input substrate size for eighth generation glass sheets) during the year multiplied by the number of months in a year (i.e., 12 months).

(2) Production output

The table below sets forth the production output of our Gumi and Paju facilities in the periods indicated.

(Unit: 1,000 Glass sheets)

| Business area | Items | Location of facilities | 2012 (Q1) | 2011 | 2010 |
|---------------|---------|------------------------|-----------|-------|-------|
| TFT-LCD | TFT-LCD | Gumi, Paju | 1,750 | 6,850 | 6,490 |

- Based on glass input substrate size for eighth generation glass sheets.

B. Production performance and utilization ratio

(Unit: Hours, except percentages)

| Business place (area) | Available working hours | Actual working hours | Average utilization ratio |
|-----------------------|--|--|---------------------------|
| Gumi (TFT-LCD) | of 2012 (Q1) 2,184 ⁽¹⁾ | of 2012 (Q1) 2,050 ⁽¹⁾ | 93.9% |
| Paju (TFT-LCD) | (91 days) ⁽²⁾ 2,184 ⁽¹⁾ | (85 days) ⁽²⁾ 2,184 ⁽¹⁾ | 100% |
| | (91 days) ⁽²⁾ | (91 days) ⁽²⁾ | |

- (1) Based on the assumption that all 24 hours in a day have been fully utilized.
- (2) Number of days is calculated by averaging the number of working days for each facility.

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C. Investment plan

In connection with our strategy to expand our TFT-LCD production capacity, we estimate that we will incur capital expenditures on a cash out basis of approximately (Won)4 trillion in 2012. Such amount is subject to change depending on business conditions and market environment.

5. Sales

A. Sales performance

(Unit: In billions of Won)

| Business Area | Sales Types | Items (Market) | 2012 (Q1) | 2011 | 2010 | |
|---------------|----------------|----------------|-------------------------|-------|--------|--------|
| TFT-LCD | Products, etc. | TFT-LCD | Overseas ⁽¹⁾ | 5,685 | 22,328 | 23,806 |
| | | | Korea ⁽¹⁾ | 499 | 1,963 | 1,706 |
| | | | Total | 6,184 | 24,291 | 25,512 |

(1) Based on ship-to-party.

B. Sales route and sales method

(1) Sales organization

- As of the date of this report, each of our Television Business Unit and IT Business Unit had individual sales and customer support functions.
- Sales subsidiaries in the United States, Germany, Japan, Taiwan, China and Singapore perform sales activities and provide local technical support to customers.

(2) Sales route

Sales of our products take place through one of the following two routes:

- LG Display HQ and overseas manufacturing subsidiaries ® Overseas sales subsidiaries (USA/Germany/Japan/Taiwan/China/Singapore), etc. ® System integrators and end-brand customers ® End users
- LG Display HQ and overseas manufacturing subsidiaries ® System integrators and end-brand customers ® End users

(3) Sales methods and sales terms

- Direct sales and sales through overseas subsidiaries, etc. Sales terms are subject to change depending on the fluctuation in the supply and demand of LCD panels.

(4) Sales strategy

- To secure stable sales to major personal computer makers and leading consumer electronics makers globally. To increase sales of high-end notebook computer products (including smartbooks, IPS and slim and narrow bezel notebook computer products), to strengthen sales of the high-end monitor segment (such as LED, IPS, slim and narrow bezel and 3D monitors), to lead in the large and wide television market (including the LED television market) and to continually increase our market share in the 3D television market by utilizing film patterned retarder technology.

- In the small- to medium-sized products segment, which is centered on high-end products applying IPS technology, to strengthen our business portfolio by developing a diverse range of products, such as mobile phone (including smartphone), smartbook, car navigation, e-book, industrial products (including aviation and medical equipment), etc.

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(5) Purchase orders

- Customers generally place purchase orders with us one month prior to delivery. Our customary practice for procuring orders from our customers and delivering our products to such customers is as follows:

- Receive order from customer (overseas sales subsidiaries, etc.) g Headquarter is notified g Manufacture product g Ship product (overseas sales subsidiaries, etc.) g Sell product (overseas sales subsidiaries, etc.)

6. Market Risks and Risk Management

A. Market risks

Our industry continues to experience continued declines in the average selling prices of display panels irrespective of cyclical fluctuations in the industry, and our margins would be adversely impacted if prices decrease faster than we are able to reduce our costs.

The TFT-LCD industry is highly competitive. We have experienced pressure on the prices and margins of our major products due largely to additional industry capacity from panel makers in Korea, Taiwan, China and Japan. Our main competitors in the industry include Samsung Display, Samsung Mobile Display, Hydis Technologies, AU Optronics, Chimei Innolux, CPT, HannStar, Japan Display, Sharp, Panasonic LCD, BOE, CSOT and CEC-Panda.

Our ability to compete successfully depends on factors both within and outside our control, including product pricing, performance and reliability, successful and timely investment and product development, success or failure of our end-brand customers in marketing their brands and products, component and raw material supply costs, and general economic and industry conditions. We cannot provide assurance that we will be able to compete successfully with our competitors on these fronts and, as a result, we may be unable to sustain our current market position.

Our results of operations are subject to exchange rate fluctuations. To the extent that we incur costs in one currency and generate sales in a different currency, our profit margins may be affected by changes in the exchange rates between the two currencies. Our sales of display panels are denominated mainly in U.S. dollars, whereas our purchases of raw materials are denominated mainly in U.S. dollars and Japanese Yen. Our risk management policy regarding foreign currency risk is to minimize the impact of foreign currency fluctuations on our foreign currency denominated assets and liabilities.

B. Risk management

The average selling prices of display panels have declined in general and could continue to decline with time irrespective of industry-wide cyclical fluctuations. Certain contributing factors for this decline will be beyond our ability to control and manage. However, in anticipation of such price decline we have continued to develop new technologies and have implemented various cost reduction measures. In addition, in order to manage our risk against foreign currency fluctuations, we may from time to time enter into cross-currency interest rate swap contracts and foreign currency forward contracts.

7. Derivative Contracts

A. Currency risks

- We are exposed to currency risks on sales, purchases and borrowings that are denominated in currencies other than in Won, our functional currency. These currencies are primarily the U.S. dollar, the Euro, the Japanese Yen and the Chinese Renminbi.

- We generally use forward exchange contracts with a maturity of less than one year to hedge against currency risks.

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- Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by our underlying operations, primarily in Won, the U.S. dollar, the Japanese Yen and the Chinese Renminbi.
- In respect of other monetary assets and liabilities denominated in foreign currencies, we ensure that our net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, when necessary, to address short-term imbalances. In addition, we also adjust the factoring volumes of foreign currency denominated receivables and utilize usances as means of settling accounts payable relating to capital expenditures for our facilities, in response to currency fluctuations.

B. Interest rate risks

- Our exposure to interest rate risks relates primarily to our long term debt obligations. To the extent necessary, we may from time to time enter into interest swap contracts to hedge our interest rate risks. As of March 31, 2012, we had no interest swap contracts outstanding.

8. Major contracts

Our material contracts, other than contracts entered into in the ordinary course of business, are set forth below:

| Type of agreement | Name of party | Term | Content |
|---------------------------------------|---------------------------------|-----------------|---|
| Technology licensing agreement | Semiconductor Energy Laboratory | October 2005 ~ | Patent licensing of LCD and OLED related technology |
| | Ferguson Patent Properties | October 2007 ~ | Patent licensing of LCD driving technology |
| | Hewlett-Packard | January 2011 ~ | Patent licensing of semiconductor device technology |
| Technology licensing/supply agreement | Chunghwa Picture Tubes | November 2007 ~ | Patent cross-licensing of LCD technology |
| | HannStar Display Corporation | November 2009 ~ | Patent cross-licensing of LCD technology |
| | AU Optronics Corporation | August 2011~ | Patent cross-licensing of LCD technology |

Table of Contents**9. Research & Development**

A. Summary of R&D-related expenditures

(Unit: In millions of Won, except percentages)

| Items | 2012 (Q1) | 2011 | 2010 |
|---|----------------|------------------|------------------|
| Material Cost | 153,885 | 550,200 | 616,072 |
| Labor Cost | 105,681 | 365,375 | 285,212 |
| Depreciation Expense | 54,511 | 217,874 | 93,365 |
| Others | 41,712 | 180,582 | 122,619 |
| Total R&D-Related Expenditures | 355,789 | 1,314,031 | 1,117,268 |
| Accounting Treatment | | | |
| Selling & Administrative Expenses | 73,784 | 248,328 | 264,073 |
| Manufacturing Cost | 235,286 | 942,015 | 717,848 |
| Development Cost (Intangible Assets) | 46,718 | 123,688 | 135,347 |
| R&D-Related Expenditures / Revenue Ratio | | | |
| | 5.8% | 5.4% | 4.4% |
| (Total R&D-Related Expenditures ÷ Revenue for the period × 100) | | | |

B. R&D achievements

Achievements in 2010

- 1) Development of 9.7-inch AH-IPS model for Apple's iPad.
 - Development of the world's first IPS Tablet
 - Achieving the following viewing angles by applying AH-IPS: top (80°) / bottom (80°) / left (80°) / right (80°)
- 2) Development of second Green PC products (13.3-inch, 14.0-inch and 15.6-inch in high-definition (HD))
 - Thin and light; low electricity consumption thereby increasing battery life
 - Development of Company-led flat product market
- 3) Development of world's first TruMotion 480Hz product (47-inch and 55-inch in full high-definition (FHD))
 - World's first application of 240hz driving technology and scanning technology to achieve TruMotion 480Hz.
 - 50% reduction in source driver integrated circuits (from 16ea to 8ea) by applying 1 gate 1 drain technology

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- 4) World's first FHD 47-inch three-dimensional (3D) display panels using Glass Patterned Retarder (GPR) technology
 - Achieving FHD for 3D display panels using GPR technology

- 5) Development of our first large-sized display panels viewable in 3D using shutter glasses (42-inch, 47-inch, 55-inch in FHD)
 - Achieving high aperture ratio by applying S-IPS V technology
 - Removal of gate driver integrated circuits by applying GIP technology
 - Reduction in the number of integrated circuits (from 8ea to 6ea) by applying 960Ch source driver integrated circuits

- 6) World's first LCD product which uses the LCD monitor's bottom cover as the back cover of a television set (32-inch, 37-inch and 42-inch in FHD)

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- Removal of the television set back cover by replacing it with the LCD monitor's bottom cover. Co-designed with a third party

- 7) Development of 42-inch and 47-inch FHD display panels for television to be sold in emerging markets
 - Focusing on basic functions and removing functions that are costly

 - Achieving cost reduction by applying GIP technology

- 8) Development of intra interface technology for large-sized, high resolution, high frequency display panels
 - Improved data transmission rate (from 660Mbps to 1.6Gbps)

 - Developing slim PCBs by decreasing the number of transmission lines

- 9) Development of our first 21.5-inch and 26-inch FHD Edge LED products
 - Application of 21.5-inch, 26-inch FHD TV LED BL and mid-sized FHD model Slim TCON (176Pin g 88Pin)

- 10) Development of our first 32 HD Edge LED product
 - Application of 32-inch HD TV Edge LED BL

- 11) Development of our first 37-inch FHD M240Hz product
 - Development of 37-inch FHD 240Hz panel. Development and mass production of MEMC 240Hz with TCON model.

- 12) Development of 240Hz panel for LG Electronics' Borderless TV
 - Development of Narrow Bezel 240Hz panel (Bezel 14mm g 7mm) for LG Electronics' Borderless TV

- 13) Development of the world's first slim 23W FHD monitor in IPS mode
 - Slim design by applying slim-type LED backlight (thickness: 14.5t g 11.5t)

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- Cost saving by applying low voltage liquid crystal

- Removal of gate driver integrated circuits by applying GIP technology

- 14) Development of the world's first slim 185W HD monitor in TN mode

 - Slim design by applying slim-type LED backlight (thickness: 11.5t g 9.7t)

 - 50% reduction in source driver integrated circuits by applying DRD (Double Rate Driving) technology

 - Elimination of optical sheet by applying new TFT structure technology (I-VCOM)

 - Removal of gate driver integrated circuits by applying GIP technology

- 15) Development of 42-inch, 47-inch and 55-inch FHD monitors applying low cell gap (3.1 g 2.8 μ m) technology

 - Enhanced 3D performance (3D CrossTalk 10.x% g 5.x%)

 - World's first application of this technology in 42-inch, 47 inch and 55-inch FHD products

- 16) Development of ultra slim 0.2t glass 12.1-inch notebook computer

 - Realization of ultra slim product by applying 0.2t glass and flat screen backlight structure

- 17) Development of world's first ultra slim 19SX TN monitor

 - Slim design by applying slim type LED backlight (thickness: 15.5 g 9.9t)

 - 50% reduction (6ea to 3ea) in the number of source driver integrated circuits by applying DRD (Double Rate Driving) technology

 - Elimination of gate driver integrated circuits by applying GIP technology

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- 18) Development of 215FHD e-IPS monitor products applying LED PKG
 - Reduction in the number of LED and LED array cost through optimization of LED PKG's beam and size
 - Realization of 2 sheet structure by adopting I-VCOM resulting in increased transmittance and backlight luminance
 - Elimination of gate driver integrated circuits by applying GIP technology
 - Minimization of LCM thickness by applying thin LED array structure (14.5t g 10.2t)
- 19) Development and application of LED PKG in 215FHD TN monitor products
 - Reduction in the number of LED and LED array cost through optimization of LED PKG's beam and size
 - Elimination of DBEF sheet by adopting I-VCOM resulting in increased transmittance and backlight luminance
 - Elimination of gate driver integrated circuits by applying GIP technology
 - Minimization of LCM thickness by applying thin LED array structure (14.5t g 10.2t)
- 67) Development of world's first slim TN monitor (185W HD, 20W HD+, 215W/23W FHD)
 - Developing ultra slim monitor by cooperating with set makers in the design process (SET standard: over 20t g 12.9t)
 - Minimization of LCM thickness by applying thin LED array structure (11.5t g 8.2t)
 - Simplification of circuit by developing T-con + Scaler 1chip
- 20) Development of world's first ultra slim 215W FHD TN monitor
 - Developing ultra slim monitor by cooperating with set makers in the design process (SET standard: 12.9t g 7.2t)
 - Minimization of LCM thickness by applying thin LED array structure (8.2t g 6t)
- 21) Development of the world's first 3D FPR type 42-inch, 47-inch and 55-inch FHD panels

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- Improved 3D performance (cross talk 1.0% g, 3D luminance 170 nit)

- 22) Development of our first 42-inch, 47-inch and 55-inch FHD panels with built-in 3D formatters

- Development of our first products with built-in MEMC and 3D formatters

- 23) Development of the world's first real 240Hz applying GIP driving technology

- First to develop real 240Hz applying GIP driving technology

- Reduced the number of driver integrated circuits by applying 960ch Source Driver: 8ea g 6 ea

- 24) Development of panels for Macbook Air

- Development and mass production of 116HD, 133 WXGA+ panels

- Application of Z-inversion technology for low energy consumption

- 25) Introduction of the world's first HD shutter glasses type 3D notebook product (17.3 inch FHD)

- Development of 172Hz high recharging speed notebook LCD panel

- Development of Timing Controller (TC) driving technology

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- 26) The first all-in-one touch panel notebook from an LCD panel manufacturer (15.6 inch HD add-on touch notebook)
 - The world's first large size (15.6-inch) notebook panel to receive Win7 Touch certification (received on July 23, 2010)
 - The world's first LCD and touch panel integrated add-on touch module developed by an LCD panel manufacturer
- 27) Introduction of the world's first Micro Film 3D notebook (15.6-inch FHD)
 - The world's first 3D FPR type notebook (developed timely to win market share in the 3D market)
- 28) Development of the world's first 240Hz 23W IPS monitor
 - The world's first to realize 240Hz by application of 120Hz panel driving and scanning technologies
 - Achievement of Motion Picture Response Time (MPRT) of 8ms
- 29) Development of the world's first add-on infrared camera type 215W IPS monitor
 - Realization of thin LCM (20.5t) by application of the world's first add-on infrared camera
 - Improved touch capabilities (dead zone free and multi-touch) and the first in the world to receive Win 7 Logo certification
 - Touch location auto correction by applying auto calibration
- 30) Development of 20-inch HD and 23-inch FHD e-IPS monitor products applying widescreen LED PKG
 - Reduction in the number of LED and LED array cost through optimization of LED PKG's beam and size
 - Elimination of gate driver integrated circuits by applying GIP technology
 - Cost reduction and lower power consumption (20% reduction for driver integrated circuits) by using low voltage driver integrated circuits
 - Minimization of LCM thickness by applying thin LED array structure (for 20-inch HD panels: 14.5t g 10.2t)

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31) Development of 20-inch HD and 23-inch FHD TN monitor products applying widescreen LED PKG

- Reduction in the number of LED and LED array cost through optimization of LED PKG's beam and size
- Elimination of DBEF sheet by adopting I-VCOM resulting in increased transmittance and backlight luminance (for 20-inch HD monitors)
- 50% reduction in the number of source driver integrated circuits by applying DRD technology (for 23-inch FHD panels)
- Elimination of gate driver integrated circuits by applying GIP technology
- Minimization of LCM thickness by applying thin LED array structure (11.5t g 10.2t)

Achievements in 2011

1) Introduction of glass-free mobile 3D product (4.3-inch WVGA)

- Development and preparation for mass production of our first glass-free 3D product (utilizing barrier cell)

2) Introduction of the world's first 12.5-inch AH-IPS notebook product

- Development of the world's first 12.5-inch notebook utilizing AH-IPS technology
- Achievement of a maximum circuit logic power of 1.0W
- Development of a slim and light AH-IPS model (development of a model that utilizes IPS and flat PCB)

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- 3) Introduction of an integrated 14.0-inch touch panel notebook product
 - Development of a 14.0-inch touch panel notebook product as part of our plan to develop and expand our integrated touch panel products portfolio

- 4) Introduction of our 15.6-inch dream color IPS notebook product
 - Development of a notebook utilizing H-IPS technology

 - Realization of a 100% color reproduction rate by applying RGB LED technology

 - Realization of 1.073G color by applying 10-bit color depth technology

- 5) Development and mass production of 9.7-inch LCD panels for i-Pad 2
 - Application of AH-IPS and slim LCD technology

 - Decreased thickness by 20% and weight by 7% compared to LCD panel for i-Pad 1

- 6) Development of the world's first 3D FPR 23-inch FHD TN monitor product
 - Minimization of flicker / crosstalk by applying FPR technology

 - Minimization of cost increase by applying one layer 3D film

 - Realization of high luminance 3D images (two times the luminance compared to images from monitors utilizing shutter glass technology)

- 7) Introduction of our first 50-inch Cinema TV product
 - Application of 21:9 screen display ratio (2560 x 1080 resolution)

 - Application of 960ch + EPI source driver integrated circuits for optimal high-resolution

 - Application of scanning technology under the Horizontal 2Edge structure

- 8) Development of the world's first 3D FPR 23-inch IPS FHD monitor product
 - Minimization of flicker / crosstalk by applying FPR technology
 - Minimization of cost increase by applying one layer 3D film
 - Realization of high luminance 3D images (two times the luminance compared to images from monitors utilizing shutter glass technology)
- 9) Development and introduction of the world's first 15.6-inch HD FPR 3D notebook product
 - Realization of the world's first 15.6-inch HD FPR 3D product
 - Realization of high luminance 3D images (two times the luminance compared to images from notebooks utilizing shutter glass technology)
 - Minimization of cost increase by applying one layer 3D film
- 10) Development and introduction of the world's first 17.3-inch Dream Color AH-IPS notebook product
 - Development of the world's first 17.3-inch notebook computer applying AH-IPS
 - Realization of Dream Color (100% color reproduction rate) by applying RGB LED
 - Realization of 1.073G color by applying Color Depth 10-bit technology
 - Realization of 89 degrees viewing angle (up/down/left/right) by applying IPS technology

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- 11) Development and introduction of a 15.6-inch HD product with the world's lowest (at the time) power consumption from logic circuit (0.5W).
 - Application of DRD Z-inversion, HVDD and low voltage process
 - Application of high intensity LED (2.3cd) and Vcut light guide plate
 - Increase in battery life due to logic circuit power consumption reduction

- 12) Development of the world's smallest (at the time) Narrow Bezel Notebook Model
 - The first in the world to apply 4.5 mm narrow bezel
 - Formation of camera hole by B/M mask patterning

- 13) Development of a new 10.1-inch WX smartbook LCD
 - Development of the our first 10.1-inch WXGA LCD following in the footsteps of our 9.7-inch XGA model
 - Realization of reduced power consumption, high permeability and increased viewing angle by application of IPS technology.

- 14) Development of a 42-inch FHD product applying COT technology
 - Simplifying panel production process by applying COT (Color Filter on TFT) technology
 - Luminance increased by 10%

- 15) Development of 42-inch, 47-inch and 55-inch direct slim LCD TV
 - Development of the world's first direct-mounted 11.0 mm depth ultra-slim LCM model
 - Application of 96 block local dimming and M240Hz technology

- 16) Development of a 47-inch super narrow public display panel

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- Development of our first super narrow bezel (seam 6.9mm) product for application in public display panels
- 17) Introduction of the world's first 15.6-inch FHD AH-IPS notebook product
- Development of the world's first 15.6-inch FHD model applying AH-IPS technology
 - Development of slim & light AH-IPS model (thickness: 3.4mm; weight: 330g)
 - Achieving the following viewing angles by applying IPS technology; 178° from top to bottom; 178° from left to right
- 18) Development of a 15.6-inch FHD notebook applying a new backlight arrangement
- Optimization of light placement by application of New Concept LED Backlight
 - Reduction in the number of LED integrated circuits (78ea g 10ea) by application of mid-power LED
 - Reduced energy consumption pursuant to a reduction in the number of LED integrated circuits (7.4W g 5.9W)
- 19) Development of the world's first 215/25/27 FHD TN and 215 FHD IPS 3D monitor
- Minimization of flicker/crosstalk by application of FPR technology
 - Minimization of cost increase by applying one-layered 3D film
 - Realization of high luminance 3D images (two times the luminance compared to images from monitors utilizing shutter glass technology)
- 20) Development of a 4.5-inch true HD AH-IPS display smartphone product
- For 4G LTE smartphones (introduced by LG Electronics in September 2011)
 - Application of true HD720 resolution and AH-IPS technology

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- 21) Development of the world's first 14.0-inch HD 3D FPR notebook product
 - Realization of the world's first 14.0-inch 3D FPR display
 - Realization of high luminance 3D images (two times the luminance compared to images from notebook panels utilizing shutter glass technology)

 - 22) Development of the world's first AH-IPS GIP / DRD column inversion technology
 - Development of AH-IPS GIP / DRD by application of shrink GIP technology
 - Realization of TN-equivalent panel size through reduced panel load
 - Achieved TN-equivalent logic energy consumption levels
- Achievements in 2012*
- 1) Introduction of the world's first 13.3-inch high definition plus (HD+) AH-IPS notebook product
 - Development of the world's first 13.3-inch HD+ model applying AH-IPS technology

 - 2) Development and introduction of a 14.0-inch HD product with the world's lowest (at the time) rate of logic circuit energy consumption (0.4W)
 - Application of DRD Z-inversion, HVDD and low voltage process
 - Application of high intensity LED (2.3cd) and Vcut light guiding plate
 - Increase in battery life due to reduced logic circuit energy consumption

 - 3) Introduction of a 14.0-inch HD+ notebook product with a high color reproduction rate
 - Development of a 14.0-inch HD+ 72% color reproduction rate model
 - Development of a slim model applying 0.3 mm glass etching

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- 4) Introduction of a 15.6-inch FHD glasses-free 3D notebook product
 - Development of the first notebook product applying switchable barrier type 3D technology that does not require the use of glasses

- 5) Development of the world's first 23-inch FHD monitor product applying AH-IPS 4Mask technology
 - Increased display panel luminance by application of AH-IPS technology (20% more luminance compared to display panels applying conventional IPS technology)
 - Simplified panel production process by application of AH-IPS 4Mask technology
 - 30% reduction in energy consumption resulting from increased efficiency of LED and circuit components
 - Increased productivity in the manufacture of circuit and mechanical components resulting from increased standardization

- 6) Development of TN monitor products (20-inch HD+, 21.5-inch FHD and 23-inch FHD) applying new LED
 - 20% reduction in energy consumption resulting from increased efficiency of LED and circuit components (based on 23W power consumption models)
 - Increased productivity in the manufacture of circuit and mechanical components resulting from increased standardization

- 7) Development of products incorporating 32/37/42 Vertical 1 Bar structure
 - First time we were able to incorporate Vertical 1Bar LED backlight unit
 - Reduced energy consumption resulting from a reduction in the number of LED integrated circuits (42.7W g 31.9W)

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- 8) Development of low-cost direct backlight unit to replace conventional edge LED lighting lamp
 - First time we developed low-cost direct backlight unit for 42-inch FHD products (72ea)
 - Same thickness as conventional edge LED lighting lamp (35.5 mm)
- 9) Development of 47-inch and 55-inch panels with narrow bezels of 3.5mm
 - Slimmer set design possible using 3.5mm bezel
- 10) Development of the world's first panel products without borders on three sides (32-inch, 42-inch, 47-inch and 55-inch)
 - Made possible by removing the forward facing case top, resulting in zero bezel on three sides

10. Intellectual Property

As of March 31, 2012, our cumulative patent portfolio (including patents that have already expired) included a total of 17,550 patents, consisting of 7,831 in Korea and 9,719 in other countries.

11. Environmental Matters

We are subject to a variety of environmental regulations and we may be subject to fines or restrictions that could cause our operations to be interrupted. Our manufacturing processes generate worksite waste, including water and air pollutants, at various stages in the manufacturing process, and we are subject to a variety of laws and regulations relating to the use, storage, discharge and disposal of such chemical by-products and waste substances. We have installed various types of anti-pollution equipment, consistent with environmental standards, for the treatment of chemical waste and equipment for the recycling of treated waste water at our various facilities. However, we cannot provide assurance that environmental claims will not be brought against us or that the local or national governments will not take steps toward adopting more stringent environmental standards. Any failure on our part to comply with any present or future environmental regulations could result in the assessment of damages or imposition of fines against us, suspension of production or a cessation of operations. In addition, environmental regulations could require us to acquire costly equipment or to incur other significant compliance expenses that may materially and negatively affect our financial condition and results of operations.

We have also voluntarily agreed to reduce emission of greenhouse gases, such as trifluoride oxide and perfluoro compounds, or PFCs, including sulfur hexafluoride, or SF₆, gases, by installing abatement systems to meet voluntary emissions targets for the TFT-LCD industry for 2010. As part of our voluntary activities to reduce emission of greenhouse gases, we installed trifluoride oxide abatement systems at all of our production lines.

We also installed an SF₆ abatement system in P1 in April 2005, and have taken steps to install additional SF₆ abatement systems through the use of Clean Development Mechanism, or CDM, projects. We manage our CDM projects jointly with LG International Corp. On July 10, 2010, after becoming the first TFT-LCD company to receive the UNFCCC CDM Executive Board's approval of our CDM project, we installed an SF₆ abatement system in P6. We received a total of 343,971 tonnes of CO₂ equivalent of certified emission reduction credits from the UN for the reduction of greenhouse gas emissions during the period from August 1, 2010 to December 31, 2010, all of which was sold in December 2011. We were the first TFT-LCD manufacturer to receive such certified emission reduction credits pursuant to an SF₆ decomposition CDM project. Currently, a third party accreditation agency is also examining the reduction of our greenhouse gas emissions since January 1, 2011 as part of our application for receiving certified emission reduction credits from the UN. In August 2011, we commenced the installation of an SF₆ abatement system in P7 through the implementation of CDM projects which became operational in February 2012, which further reduced our greenhouse gas emissions.

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Under the Framework Act on Low Carbon, Green Growth, the Korean government has designated us as one of the companies subject to greenhouse gas emission and energy consumption targets. As a result, we may need to invest in additional equipment and there may be other costs associated with meeting the reduction target for 2012, which may have a negative effect on our profitability or production activities. In addition, if we fail to meet our reduction target and are unable to comply with the government's subsequent enforcement notice relating to such failure, we may be subject to fines.

In connection with the greenhouse gas emission reduction target system, we submitted a statement of our domestic emissions and energy usage for the years 2007 through 2010 to the Korean government (i.e., the Ministry of Environment and the Ministry of Knowledge Economy), which was certified by DNV Certification Co., Ltd., a government-designated certification agency. We are currently preparing a statement of our domestic emissions and energy usage for the year 2011, which we submitted to the Ministry of Environment and the Ministry of Knowledge Economy in March 2012 after certification by Lloyd's Register Quality Assurance, another government-designated certification agency. The table below sets forth yearly levels of our greenhouse gases emissions and energy usage in the statement submitted to the Korean government:

(Unit: thousand tonnes of CO₂ equivalent; Tetra Joules)

| Category | 2011 | 2010 | 2009 |
|------------------|--------|--------|--------|
| Greenhouse gases | 5,926 | 5,576 | 4,755 |
| Energy | 55,234 | 45,850 | 37,075 |

In addition, in order to improve the efficiency and reliability of measuring our greenhouse gas emission reduction activities, we have begun implementing improvements in our electronic greenhouse gas inventory system and plan to complete such improvements sometime in 2012.

Operations at our manufacturing plants are subject to regulation and periodic monitoring by the Korean Ministry of Environment and local environmental protection authorities. We believe that we have adopted adequate anti-pollution measures and have minimized our impact on the environment by improving existing and developing new technologies for the effective maintenance of environmental protection standards consistent with local industry practice. In addition, we have continually monitored, and we believe that we are in compliance in all material respects with, the applicable environmental laws and regulations in Korea. Expenditures related to such compliance may be substantial. Such expenditures are generally included in capital expenditures. As required by Korean law, we employ licensed environmental specialists for each environmental area, including air quality, water quality, toxic materials and radiation. We currently have ISO 14001 certifications with respect to the environmental record for P1 through P8, our OLED production facility in Gumi, Korea, our Gumi module production plant and our Paju module production plant, as well as our module production plants in Nanjing and Guangzhou, China.

In addition, with respect to P1 through P8 and our module production plants in Gumi and Paju, we have established and are currently operating a new green management system, which was certified by BSI Group Korea in November 2011. Furthermore, we have been certified by the Korean Ministry of Environment as a "Green Company", with respect to our environmental record for P1 and our module production plant in Gumi since 1997, with respect to our operations at P2 and P3 since 2006, and with respect to our operations at P4, P5 and P6 since 2008, and received commendations from the Prime Minister and the Minister of Environment of Korea for our efforts to promote recycling.

We also have an internal monitoring system to control the use of hazardous substances in the manufacture of our products as we are committed to compliance with all applicable environmental laws and regulations, including European Union Restriction of Hazardous Substances (RoHS) Directive 2002/95/EC, which took effect in July 2006, and restricts the use of certain hazardous substances in the manufacture of electrical and electronic equipment.

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In addition, as part of our commitment to purchase environment-friendly raw materials, we have implemented a green purchasing system that prevents the introduction of hazardous materials at the purchasing stage. The green purchasing system has been a key component in our efforts to comply with RoHS and other applicable environmental laws and regulation.

In October 2005, we became the first TFT-LCD company to receive accreditation as an International Accredited Testing Laboratory by the Korea Laboratory Accreditation Scheme, which is operated by the Korean Ministry of Knowledge Economy. In September 2006, we received international accreditation from TUV SUD, EU's German accreditation agency, as a RoHS testing laboratory. Moreover, we participated in reforming IEC 62321 by 2012, a RoHS international testing standard, by including a halogen-free combustion ion chromatography method in our committee draft that we submitted in June 2010.

12. Financial Information

A. Financial highlights (Based on consolidated K-IFRS)

| Description | (Unit: In millions of Won) | | | |
|---|----------------------------|----------------------------|----------------------------|---|
| | As of March 31, 2012 | As of December 31, 2011 | As of December 31, 2010 | As of December 31, 2009 ⁽¹⁾ |
| Current assets | 7,382,512 | 7,858,065 | 8,840,433 | 8,226,142 |
| Quick assets | 5,184,832 | 5,540,695 | 6,625,216 | 6,558,362 |
| Inventories | 2,197,680 | 2,317,370 | 2,215,217 | 1,667,780 |
| Non-current assets | 17,149,053 | 17,304,866 | 15,017,225 | 11,477,335 |
| Investments in equity accounted investees | 395,601 | 385,145 | 325,532 | 282,450 |
| Property, plant and equipment, net | 14,433,751 | 14,696,849 | 12,815,401 | 9,596,497 |
| Intangible assets | 538,165 | 535,114 | 539,901 | 352,393 |
| Other non-current assets | 1,781,536 | 1,687,758 | 1,336,391 | 1,245,995 |
| Total assets | 24,531,565 | 25,162,931 | 23,857,658 | 19,703,477 |
| Current liabilities | 9,690,691 | 9,911,434 | 8,881,829 | 6,495,071 |
| Non-current liabilities | 4,842,041 | 5,120,469 | 3,914,862 | 3,168,657 |
| Total liabilities | 14,532,732 | 15,031,903 | 12,796,691 | 9,663,728 |
| Share capital | 1,789,079 | 1,789,079 | 1,789,079 | 1,789,079 |
| Share premium | 2,251,113 | 2,251,113 | 2,251,113 | 2,251,113 |
| Reserves | 9,687 | 12,181 | (35,298) | (51,005) |
| Retained earnings | 5,934,666 | 6,063,359 | 7,031,163 | 6,050,562 |
| Non-controlling interest | 14,288 | 15,296 | 24,910 | 0 |
| Total equity | 9,998,833 | 10,131,028 | 11,060,967 | 10,039,749 |

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(Unit : In millions of Won, except for per share data and number of consolidated entities)

| Description | For the three months ended March 31, 2012 | For the three months ended March 31, 2011 | For the three months ended March 31, 2010 | For the three months ended March 31, 2009 ⁽¹⁾ |
|--|---|---|---|--|
| Revenue | 6,183,676 | 5,365,516 | 5,876,347 | 3,542,309 |
| Results (loss) from operating activities | (178,216) | (239,240) | 789,423 | (317,280) |
| Income (loss) from continuing operation | (129,233) | (115,426) | 648,625 | (346,633) |
| Profit (loss) for the period | (129,233) | (115,426) | 648,625 | (346,633) |
| Profit (loss) attributable to: | | | | |
| Owners of the Company | (128,464) | (115,189) | 649,066 | (346,633) |
| Non-controlling interest | (769) | (237) | (441) | |
| Basic earnings (loss) per share | (359) | (322) | 1,814 | (969) |
| Diluted earnings (loss) per share | (359) | (322) | 1,732 | (969) |
| Number of consolidated entities | 19 | 18 | 16 | 11 |

- (1) Although our financial statements for the year ended December 31, 2009 were audited by our independent auditors in accordance with K-IFRS, our financial statements for the three months ended March 31, 2009 were not reviewed by our independent auditors.

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B. Financial highlights (Based on separate K-IFRS)

(Unit: In millions of Won)

| Description | As of March 31, 2012 | As of December 31, 2011 | As of December 31, 2010 | As of December 31, 2009 ⁽¹⁾ |
|------------------------------------|-------------------------|----------------------------|----------------------------|---|
| Current assets | 6,954,539 | 7,326,764 | 8,499,873 | 7,973,355 |
| Quick assets | 5,159,024 | 5,414,054 | 6,739,908 | 6,687,050 |
| Inventories | 1,795,515 | 1,912,710 | 1,759,965 | 1,286,305 |
| Non-current assets | 16,786,902 | 16,947,200 | 14,658,125 | 11,283,512 |
| Investments | 1,382,626 | 1,386,313 | 1,279,831 | 1,075,229 |
| Property, plant and equipment, net | 13,273,635 | 13,522,553 | 11,688,061 | 8,730,263 |
| Intangible assets | 480,126 | 479,510 | 483,260 | 340,885 |
| Other non-current assets | 1,650,515 | 1,558,824 | 1,206,973 | 1,137,135 |
| Total assets | 23,741,441 | 24,273,964 | 23,157,998 | 19,256,867 |
| Current liabilities | 9,364,970 | 9,485,333 | 8,453,869 | 6,120,663 |
| Non-current liabilities | 4,864,724 | 5,101,714 | 3,833,454 | 3,102,006 |
| Total liabilities | 14,229,694 | 14,587,047 | 12,287,323 | 9,222,669 |
| Share capital | 1,789,079 | 1,789,079 | 1,789,079 | 1,789,079 |
| Share premium | 2,251,113 | 2,251,113 | 2,251,113 | 2,251,113 |
| Reserves | (3,996) | (3,944) | (7,795) | (17,366) |
| Retained earnings | 5,475,551 | 5,650,669 | 6,838,278 | 6,011,372 |
| Total equity | 9,511,747 | 9,686,917 | 10,870,675 | 10,034,198 |

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(Unit: In millions of Won, except for per share data)

| Description | For the three months ended March 31, 2012 | For the three months ended March 31, 2011 | For the three months ended March 31, 2010 | For the three months ended March 31, 2009 ⁽¹⁾ |
|--|---|--|---|--|
| Revenue | 5,955,719 | 5,051,751 | 5,840,744 | 3,426,949 |
| Results (loss) from operating activities | (226,270) | (301,704) | 704,089 | (408,456) |
| Income (loss) from continuing operation | (175,078) | (154,350) | 599,044 | (433,567) |
| Profit (loss) for the period | (175,078) | (154,350) | 599,044 | (433,567) |
| Basic earnings (loss) per share | (489) | (431) | 1,674 | (1,212) |
| Diluted earnings (loss) per share | (489) | (431) | 1,596 | (1,212) |

- (1) Although our financial statements for the year ended December 31, 2009 were audited by our independent auditors in accordance with K-IFRS, our financial statements for the three months ended March 31, 2009 were not reviewed by our independent auditors.

C. Consolidated subsidiaries (as of March 31, 2012)

| Company | Primary Business | Location | Equity Interest |
|--|-----------------------------------|-----------|-----------------|
| LG Display America, Inc. | Sales | U.S.A. | 100% |
| LG Display Germany GmbH | Sales | Germany | 100% |
| LG Display Japan Co., Ltd. | Sales | Japan | 100% |
| LG Display Taiwan Co., Ltd. | Sales | Taiwan | 100% |
| LG Display Nanjing Co., Ltd. | Manufacturing and sales | China | 100% |
| LG Display Shanghai Co., Ltd. | Sales | China | 100% |
| LG Display Poland Sp. zo.o. | Manufacturing and sales | Poland | 80% |
| LG Display Guangzhou Co., Ltd. | Manufacturing and sales | China | 90% |
| LG Display Shenzhen Co., Ltd. | Sales | China | 100% |
| LG Display Singapore Pte. Ltd. | Sales | Singapore | 100% |
| L&T Display Technology (Xiamen) Co., Ltd. | Manufacturing and sales | China | 51% |
| L&T Display Technology (Fujian) Co., Ltd. | Manufacturing and sales | China | 51% |
| LG Display Yantai Co., Ltd. | Manufacturing and sales | China | 100% |
| L&I Electronic Technology (Dongguan) Limited | Manufacturing and sales | China | 51% |
| Image & Materials, Inc. | Manufacturing and sales | Korea | 100% |
| LUCOM Display Technology (Kunshan) Limited | Manufacturing and sales | China | 51% |
| LG Display U.S.A. Inc. | Manufacturing and sales | U.S.A. | 100% |
| LG Display Reynosa S.A. de C.V. | Manufacturing | Mexico | 100% |
| Nanumnuri Co., Ltd. ⁽¹⁾ | Workplace services ⁽²⁾ | Korea | 100% |

- (1) Formed as a wholly owned subsidiary in March 2012 in order to comply with Korean legal requirement for employers with 100 or more employees to employ disabled persons. We made a capital contribution of W800 million.
- (2) Includes workplace services such as janitorial, car washing, gym and cafe services.

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D. Status of equity investment (as of March 31, 2012)

| Company | Investment Amount | Initial Equity Investment Date | Equity Interest |
|--|---------------------|--------------------------------|-----------------|
| LG Display America, Inc. | US\$185,000,000 | September 24, 1999 | 100% |
| LG Display Germany GmbH | EUR960,000 | November 5, 1999 | 100% |
| LG Display Japan Co., Ltd. | ¥95,000,000 | October 12, 1999 | 100% |
| LG Display Taiwan Co., Ltd. | NT\$115,500,000 | May 19, 2000 | 100% |
| LG Display Nanjing Co., Ltd. | CNY2,552,191,315 | July 15, 2002 | 100% |
| LG Display Shanghai Co., Ltd. | CNY4,138,650 | January 16, 2003 | 100% |
| LG Display Poland Sp. zo.o. | PLN410,327,700 | September 6, 2005 | 80% |
| LG Display Guangzhou Co., Ltd. | CNY895,904,754 | August 7, 2006 | 90% |
| LG Display Shenzhen Co., Ltd. | CNY3,775,250 | August 28, 2007 | 100% |
| LG Display Singapore Pte. Ltd. | SGD1,400,000 | January 12, 2009 | 100% |
| L&T Display Technology (Xiamen) Co., Ltd. | CNY41,785,824 | January 5, 2010 | 51% |
| L&T Display Technology (Fujian) Co., Ltd. | CNY59,197,026 | January 5, 2010 | 51% |
| LG Display Yantai Co., Ltd. | CNY273,048,000 | April 19, 2010 | 100% |
| L&I Electronic Technology (Dongguan) Limited | CNY17,062,560 | October 25, 2010 | 51% |
| Image & Materials, Inc. | (Won)43,999,839,152 | November 29, 2010 | 100% |
| LUCOM Display Technology (Kunshan) Limited | CNY50,353,677 | December 27, 2010 | 51% |
| LG Display U.S.A. Inc. | US\$10,920,000 | December 8, 2011 | 100% |
| LG Display Reynosa S.A. de C.V. | MXN111,998,058 | December 30, 2011 | 100% |
| Nanumnuri Co., Ltd. | (Won)800,000,000 | March 19, 2012 | 100% |
| Suzhou Raken Technology Co., Ltd. | CNY569,455,395 | October 7, 2008 | 51% |
| Paju Electric Glass Co., Ltd. | (Won)33,648,000,000 | March 25, 2005 | 40% |
| TLI Co., Ltd. | (Won)14,073,806,250 | May 16, 2008 | 12% |
| AVACO Co., Ltd. | (Won)6,172,728,120 | June 9, 2008 | 20% |
| Guangzhou Vision Display Technology Research and Development Limited | CNY25,000,000 | July 11, 2008 | 50% |
| NEW OPTICS, Ltd. | (Won)12,199,600,000 | July 30, 2008 | 42% |
| LIG ADP Co., Ltd. | (Won)6,330,000,000 | February 24, 2009 | 13% |
| Wooree LED Co., Ltd. | (Won)11,900,000,000 | May 22, 2009 | 30% |
| Dynamic Solar Design Co., Ltd. | (Won)6,066,658,000 | June 24, 2009 | 40% |
| RPO, Inc. | US\$12,285,022 | November 3, 2009 | 26% |
| Global OLED Technology LLC | US\$45,170,000 | December 23, 2009 | 33% |
| LB Gemini New Growth Fund No. 16 | (Won)14,460,647,109 | December 7, 2009 | 31% |
| Can Yang Investment Ltd. | US\$15,300,000 | January 27, 2010 | 9% |
| YAS Co., Ltd. | (Won)10,000,000,000 | September 16, 2010 | 19% |
| Eralite Optoelectronics (Jiangsu) Co., Ltd. | US\$4,000,000 | September 28, 2010 | 20% |
| Narae Nanotech Corporation | (Won)30,000,000,000 | April 22, 2011 | 23% |
| Avatec Co., Ltd. | (Won)10,600,000,000 | December 6, 2012 | 20% |

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A. Audit service

(Unit: In millions of Won, hours)

| Description | 2012 (Q1) | 2011 | 2010 |
|-----------------------------|------------------------------|------------------------------|------------------------------|
| Auditor | KPMG Samjong | KPMG Samjong | KPMG Samjong |
| Activity | Audit by independent auditor | Audit by independent auditor | Audit by independent auditor |
| Compensation ⁽¹⁾ | 850 (285) ⁽²⁾ | 850 (285) ⁽²⁾ | 850 (585) ⁽³⁾ |
| Time required | 3,360 | 16,154 | 16,646 |

(1) Compensation amount is the contracted amount for the full fiscal year.

(2) Compensation amount in () is for Form 20-F filing and SOX 404 audit.

(3) Compensation amount in () is for K-IFRS audit of 2009 financial statements, Form 20-F filing and SOX 404 audit.

B. Non-audit service

Not applicable.

14. Board of Directors

A. Independence of directors

Outside director: Independent

Non-outside director: Not independent

Each of our outside directors meets the applicable independence standards set forth under the applicable laws and regulations. Each of our outside directors was nominated by the Outside Director Nomination and Corporate Governance Committee, was approved by the board of directors and was appointed at the general meeting of shareholders. None of our outside directors has or had any business transaction or any related party transactions with us. Our outside directors are comprised of four persons, three of whom are also members of our audit committee. As of the date of this report, our non-outside directors are the chief executive officer, the chief financial officer and a non-standing director.

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B. Members of the board of directors

(as of March 31, 2012)

| Name | Date of birth | Position | Business experience | First elected |
|-----------------------|-------------------|--|--|-------------------|
| Sang Beom Han * | June 18, 1955 | Representative Director, Chief Executive Officer and Executive Vice President | Head of LG Display TV Business Division | March 9, 2012 |
| James (Hoyoung) Jeong | November 2, 1961 | Director and Chief Financial Officer | Executive Vice President and Chief Financial Officer of LG Electronics | February 29, 2008 |
| Yu Sig Kang | November 3, 1948 | Director | Vice Chairman, Representative Director, LG Corp. | March 11, 2011 |
| Tae Sik Ahn | March 21, 1956 | Outside Director | Professor, College of Business Administration and Graduate School of Business, Seoul National University | March 12, 2010 |
| William Y. Kim | June 6, 1956 | Outside Director | Partner, Ropes & Gray LLP | February 29, 2008 |
| Jin Jang | November 28, 1954 | Outside Director | Chair Professor, Department of Information Display, Kyung Hee University | March 11, 2011 |
| Dong Il Kwon * | February 5, 1957 | Outside Director | Professor, Department of Materials Science and Engineering, Seoul National University | March 9, 2012 |

* At the annual general meeting of shareholders on March 9, 2012, Sang Beom Han was newly elected as our representative director and chief executive officer and Dong Il Kwon was newly elected as our outside director by our shareholders.

C. Committees of the board of directors

(as of March 31, 2012)

| Committee | Composition | Member |
|--|---|---|
| Audit Committee | 3 outside directors | Tae Sik Ahn, Jin Jang, William Y. Kim |
| Outside Director Nomination and Corporate Governance Committee | 1 non-outside director and 2 outside directors | James (Hoyoung) Jeong, Dong Il Kwon ⁽¹⁾ , Jin Jang |
| Remuneration Committee | 1 non-outside director and 2 outside directors | William Y. Kim, James (Hoyoung) Jeong, Tae Sik Ahn |
| Management Committee ⁽²⁾ | 2 non-outside directors | Sang Beom Han ⁽¹⁾ , James (Hoyoung) Jeong ⁽¹⁾ |

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- (1) At the annual general meeting of shareholders on March 9, 2012, Dong Il Kwon became a member of the Outside Director Nomination and Corporate Governance Committee and Sang Beom Han and James (Hoyoung) Jeong became members of the Management Committee.
- (2) Established at the annual general meeting of shareholders on March 9, 2012.

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15. Information Regarding Shares

A. Total number of shares

- (1) Total number of shares authorized to be issued (as of March 31, 2012): 500,000,000 shares.
- (2) Total shares issued and outstanding (as of March 31, 2012): 357,815,700 shares.

B. Shareholder list

- (1) Largest shareholder and related parties as of March 31, 2012:

| Name | Relationship | Number of Shares of Common Stock | Equity Interest |
|----------------|---------------------|----------------------------------|-----------------|
| LG Electronics | Largest Shareholder | 135,625,000 | 37.9% |
| Sang Beom Han | Related Party | 930 | 0.0% |

- (2) Shareholders who are known to us to own 5% or more of our shares as of March 31, 2012:

| Beneficial Owner | Number of Shares of Common Stock | Equity Interest |
|--------------------------|----------------------------------|-----------------|
| LG Electronics | 135,625,000 | 37.9% |
| National Pension Service | 21,633,625 | 6.1% |

16. Directors and Employees

A. Directors

- (1) Remuneration for directors in 2012 (Q1)

(Unit: person, in millions of Won)

| Classification | No. of directors ⁽¹⁾ | Amount paid ⁽²⁾ | Per capita average remuneration paid ⁽⁵⁾ | Remarks |
|---|---------------------------------|----------------------------|---|---------|
| Non-outside directors | 3 | 289 ⁽³⁾⁽⁴⁾ | 96 | |
| Outside directors who are not audit committee members | 1 | 6 | 17 | |
| Outside directors who are audit committee members | 3 | 42 | 14 | |
| Total | 7 | 337 | | |

(1) Number of directors as at March 31, 2012.

(2) Amount paid is calculated on the basis of amount of cash actually paid.

(3) Among the non-outside directors, Yu Sig Kang does not receive any remuneration.

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- (4) Includes remuneration for Young Soo Kwon whose term as president ended on March 31, 2012.
- (5) Per capita average remuneration paid is calculated by dividing total amount paid by the average number of directors for the three months ended March 31, 2012.

(2) Stock option

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The following table sets forth certain information regarding our stock options as of March 31, 2012.

(Unit: Won, Stock)

| Executive | Grant Date | Exercise Period ⁽²⁾ | | Exercise Price | Number of Granted Options | Number of Exercised Options | Number of Cancelled Options ⁽¹⁾ | Number of Exercisable Options ⁽¹⁾ |
|--------------------------------------|---------------|--------------------------------|---------------|----------------|---------------------------|-----------------------------|--|--|
| | | From | To | | | | | |
| Officers (including Former Officers) | | | | | | | | |
| Ron H. Wirahadiraksa | April 7, 2005 | April 8, 2008 | April 7, 2012 | (Won) 44,050 | 100,000 | 0 | 50,000 | 50,000 |
| Duke M. Koo | April 7, 2005 | April 8, 2008 | April 7, 2012 | (Won) 44,050 | 40,000 | 0 | 20,000 | 20,000 |
| Sang Deog Yeo | April 7, 2005 | April 8, 2008 | April 7, 2012 | (Won) 44,050 | 40,000 | 0 | 20,000 | 20,000 |
| Jae Geol Ju | April 7, 2005 | April 8, 2008 | April 7, 2012 | (Won) 44,050 | 40,000 | 0 | 20,000 | 20,000 |
| Total | | | | | 220,000 | | 110,000 | 110,000 |

- (1) When the increase rate of our share price is the same or less than the increase rate of the Korea Composite Stock Price Index (KOSPI) over the three-year period following the grant date, only 50% of the initially granted shares are exercisable. Since the increase rate of our share price was lower than the increase rate of KOSPI during the period from April 7, 2005 to April 7, 2008, only 50% of the 220,000 initially granted shares are exercisable.
- (2) On April 7, 2012, the stock options that were outstanding as of March 31, 2012 expired unexercised.

B. Employees

As of March 31, 2012, we had 34,813 employees (excluding our executive officers). The total amount of salary paid to our employees for the three months ended March 2012 based on cash payment (excluding welfare benefits and retirement expenses) was (Won)438,722 million. The following table provides details of our employees as of March 31, 2012:

(Unit: person, in millions of Won, year)

| | Number of Employees | Total Salary in 2012 (Q1) ^{(1) (2) (3)} | Per Capita Salary ⁽⁴⁾ | Average Service Year |
|--------|---------------------|--|----------------------------------|----------------------|
| Male | 24,217 | 339,478 | 14 | 4.6 |
| Female | 10,596 | 99,244 | 9 | 3.1 |
| Total | 34,813 | 438,722 | 13 | 4.2 |

- (1) Welfare benefits and retirement expenses have been excluded. Total welfare benefit provided to our employees for the three months ended March 31, 2012 was W76,276 million and the per capita welfare benefit provided was W2.2 million.
- (2) Based on cash payments made in Korea.
- (3) Includes incentive payments to employees who have transferred from our affiliated companies.
- (4) Per Capita Salary is calculated using the average number of employees (total: 35,047, male: 24,369, female: 10,678) for the three months ended March 31, 2012.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

March 31, 2012 and 2011

(With Independent Auditors' Review Report Thereon)

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Independent Auditors' Review Report

Based on a report originally issued in Korean

To the Board of Directors and Shareholders

LG Display Co., Ltd.:

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of LG Display Co., Ltd. and subsidiaries (the Group) as of March 31, 2012, and the related condensed consolidated statements of comprehensive loss, changes in equity and cash flows for the three-month periods ended March 31, 2012 and 2011 and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Condensed Consolidated Interim Financial Statements

Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with Korean International Financial Reporting Standards No.1034, *Interim Financial Reporting*, and for such internal controls as management determines necessary to enable the preparation of condensed consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our reviews.

We conducted our reviews in accordance with the Review Standards for Quarterly/Semiannual Financial Statements of the Republic of Korea. A review consists principally of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of Korea and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements referred to above are not presented fairly, in all material respects, in accordance with Korean International Financial Reporting Standards No.1034, *Interim Financial Reporting*.

Emphasis of Matter

As discussed in note 17 to the condensed consolidated financial statements, LG Display Co., Ltd., along with its subsidiaries, was or has been under investigations by antitrust authorities in certain countries with respect to possible anti-competitive activities in the LCD industry and named as defendants in a number of federal class actions in the United States and Canada and related individual lawsuits in connection with the alleged antitrust violations concerning the sale of LCD panels. The Group estimated and recognized losses related to these legal proceedings. However, actual losses are subject to change in the future based on new developments in each matter, or changes in circumstances, which could be materially different from those estimated and recognized by the Group.

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Other Considerations

We audited the consolidated statement of financial position as of December 31, 2011 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the year ended December 31, 2011, not accompanying this review report, in accordance with auditing standards generally accepted in the Republic of Korea, and our report thereon, dated February 22, 2012, expressed an unqualified opinion. The accompanying condensed consolidated statement of financial position of the Group as of December 31, 2011, presented for comparative purposes, is not different from that audited by us in all material respects.

/s/ KPMG Samjong Accounting Corp.

Seoul, Korea

April 25, 2012

This report is effective as of April 25, 2012, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Statements of Financial Position

(Unaudited)

As of March 31, 2012 and December 31, 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|---|--------------|-------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | 9 (Won) | 1,635,627 | 1,517,977 |
| Deposits in banks | 9 | 757,846 | 815,000 |
| Trade accounts and notes receivable, net | 9, 16, 19 | 2,275,164 | 2,740,107 |
| Other accounts receivable, net | 9, 19 | 123,121 | 212,870 |
| Other current financial assets | 9 | 3,883 | 3,297 |
| Inventories | 5 | 2,197,680 | 2,317,370 |
| Other current assets | | 389,191 | 251,444 |
| Total current assets | | 7,382,512 | 7,858,065 |
| Investments in equity accounted investees | 6 | 395,601 | 385,145 |
| Other non-current financial assets | 9 | 84,362 | 84,548 |
| Deferred tax assets | 21 | 1,518,397 | 1,424,005 |
| Property, plant and equipment, net | 7, 20 | 14,433,751 | 14,696,849 |
| Intangible assets, net | 8, 20 | 538,165 | 535,114 |
| Other non-current assets | | 178,777 | 179,205 |
| Total non-current assets | | 17,149,053 | 17,304,866 |
| Total assets | (Won) | 24,531,565 | 25,162,931 |
| Liabilities | | | |
| Trade accounts and notes payable | 9, 19 (Won) | 3,845,410 | 3,782,627 |
| Current financial liabilities | 9, 10 | 1,787,427 | 894,972 |
| Other accounts payable | 9, 19 | 3,327,453 | 3,992,671 |
| Accrued expenses | | 303,360 | 267,595 |
| Income taxes payable | | 56,346 | 58,259 |
| Provisions | | 304,802 | 279,403 |
| Advances received | | 36,380 | 616,351 |
| Other current liabilities | | 29,513 | 19,556 |
| Total current liabilities | | 9,690,691 | 9,911,434 |
| Non-current financial liabilities | 9, 10 | 3,467,228 | 3,722,364 |
| Non-current provisions | | 5,194 | 5,400 |
| Deferred tax liabilities | 21 | | 240 |
| Employee benefits | 14 | 170,851 | 146,638 |
| Long-term advances received | 16 | 659,924 | 668,914 |
| Other non-current liabilities | | 538,844 | 576,913 |
| Total non-current liabilities | | 4,842,041 | 5,120,469 |
| Total liabilities | | 14,532,732 | 15,031,903 |

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| | | | |
|--|-------|------------|------------|
| Equity | | | |
| Share capital | 18 | 1,789,079 | 1,789,079 |
| Share premium | | 2,251,113 | 2,251,113 |
| Reserves | 18 | 9,687 | 12,181 |
| Retained earnings | | 5,934,666 | 6,063,359 |
| Total equity attributable to equity holders of the Controlling Company | | 9,984,545 | 10,115,732 |
| Non-controlling interest | | 14,288 | 15,296 |
| Total equity | | 9,998,833 | 10,131,028 |
| Total liabilities and equity | (Won) | 24,531,565 | 25,162,931 |

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Comprehensive Loss

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won, except earnings per share)</i> | Note | | 2012 | 2011 |
|---|-------------|-------|-------------|-------------|
| Revenue | 19, 20 | (Won) | 6,183,676 | 5,365,516 |
| Cost of sales | 5, 11, 19 | | (5,855,450) | (5,132,586) |
| Gross profit | | | 328,226 | 232,930 |
| Other income | 13 | | 279,930 | 333,044 |
| Selling expenses | 11, 12 | | (207,794) | (177,316) |
| Administrative expenses | 11, 12 | | (127,848) | (112,802) |
| Research and development expenses | 11 | | (204,004) | (197,835) |
| Other expenses | 13 | | (246,726) | (317,261) |
| Results from operating activities | | | (178,216) | (239,240) |
| Finance income | 15 | | 77,564 | 124,793 |
| Finance costs | 15 | | (109,960) | (82,135) |
| Other non-operating loss, net | | | (3,524) | (3,223) |
| Equity income (loss) on investments, net | | | 17,116 | (1,994) |
| Loss before income taxes | | | (197,020) | (201,799) |
| Income tax benefit | 21 | | 67,787 | 86,373 |
| Loss for the period | | | (129,233) | (115,426) |
| Other comprehensive income (loss) | | | | |
| Net change in fair value of available-for-sale financial assets | 15 | | (2,070) | (1,515) |
| Defined benefit plan actuarial gain (loss) | 14 | | (242) | 605 |
| Cumulative translation differences | | | (340) | (14,703) |
| Gain (loss) on sales of own shares of associate accounted for using the equity method | | | (336) | 271 |
| Income taxes on other comprehensive (income) loss | | | 26 | 46 |
| Other comprehensive loss for the period, net of income taxes | | | (2,962) | (15,296) |
| Total comprehensive loss for the period | | (Won) | (132,195) | (130,722) |
| Loss attributable to: | | | | |
| Owners of the Controlling Company | | | (128,464) | (115,189) |
| Non-controlling interest | | | (769) | (237) |
| Loss for the period | | (Won) | (129,233) | (115,426) |
| Total comprehensive loss attributable to: | | | | |
| Owners of the Controlling Company | | | (131,187) | (129,956) |
| Non-controlling interest | | | (1,008) | (766) |

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| | | | | |
|---|----|-------|-----------|-----------|
| Total comprehensive loss for the period | | | (132,195) | (130,722) |
| Loss per share | | | | |
| Basic loss per share | 22 | (Won) | (359) | (322) |
| Diluted loss per share | 22 | (Won) | (359) | (322) |

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | | Share capital | Share premium | Gain on sale of own shares of associates | Fair value reserve | Translation reserve | Retained earnings | Non-controlling interest | Total equity |
|---|-------|------------------|------------------|--|-----------------------|------------------------|----------------------|-----------------------------|-----------------|
| Balances at January 1, 2011 | (Won) | 1,789,079 | 2,251,113 | 810 | (5,560) | (30,548) | 7,031,163 | 24,910 | 11,060,967 |
| Total comprehensive loss for the period | | | | | | | | | |
| Loss for the period | | | | | | | (115,189) | (237) | (115,426) |
| Other comprehensive income (loss) | | | | | | | | | |
| Net change in fair value of available-for-sale financial assets, net of tax | | | | | (1,336) | | | | (1,336) |
| Defined benefit plan actuarial gain, net of tax | | | | | | | 472 | | 472 |
| Cumulative translation differences | | | | | | (14,174) | | (529) | (14,703) |
| Gain on sales of own shares of associates accounted for using the equity method, net of tax | | | | 271 | | | | | 271 |
| Total other comprehensive income (loss) | | | | 271 | (1,336) | (14,174) | 472 | (529) | (15,296) |
| Total comprehensive income (loss) for the period | | | | 271 | (1,336) | (14,174) | (114,717) | (766) | (130,722) |
| Transaction with owners, recorded directly in equity | | | | | | | | | |
| Dividends to equity holders | | | | | | | (178,908) | | (178,908) |
| Changes in ownership interests in subsidiaries | | | | | | | | 3,283 | 3,283 |
| Balances at March 31, 2011 | (Won) | 1,789,079 | 2,251,113 | 1,081 | (6,896) | (44,722) | 6,737,538 | 27,427 | 10,754,620 |
| Balances at January 1, 2012 | (Won) | 1,789,079 | 2,251,113 | 596 | (3,856) | 15,441 | 6,063,359 | 15,296 | 10,131,028 |
| Total comprehensive loss for the period | | | | | | | | | |
| Loss for the period | | | | | | | (128,464) | (769) | (129,233) |
| Other comprehensive income (loss) | | | | | | | | | |
| Net change in fair value of available-for-sale financial assets, net of tax | | | | | (2,053) | | | | (2,053) |
| | | | | | | | (229) | | (229) |

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| | | | | | | | | | |
|---|-------|-----------|-----------|---------|---------|-----------|-----------|--------|-----------|
| Defined benefit plan actuarial loss, net of tax | | | | | | | | | |
| Cumulative translation differences | | | | (105) | | (239) | | (344) | |
| Loss on sales of own shares of associates accounted for using the equity method, net of tax | | | (336) | | | | | | (336) |
| Total other comprehensive loss | | | (336) | (2,053) | (105) | (229) | (239) | | (2,962) |
| Total comprehensive loss for the period | | | (336) | (2,053) | (105) | (128,693) | (1,008) | | (132,195) |
| Balances at March 31, 2012 | (Won) | 1,789,079 | 2,251,113 | 260 | (5,909) | 15,336 | 5,934,666 | 14,288 | 9,998,833 |

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|---|-------|-----------|-----------|
| Cash flows from operating activities: | | | |
| Loss for the period | (Won) | 129,233 | 115,426 |
| Adjustments for: | | | |
| Income tax benefit | 22 | (67,787) | (86,373) |
| Depreciation | | 926,986 | 763,824 |
| Amortization of intangible assets | | 63,017 | 52,015 |
| Gain on foreign currency translation | | (82,181) | (111,935) |
| Loss on foreign currency translation | | 53,039 | 80,008 |
| Impairment loss on intangible assets | | 226 | |
| Gain on disposal of property, plant and equipment | | (53) | (158) |
| Loss on disposal of property, plant and equipment | | 354 | 80 |
| Finance income | | (45,758) | (108,396) |
| Finance costs | | 47,187 | 45,508 |
| Equity loss (income) on investments, net | | (17,116) | 1,994 |
| Other income | | (5,353) | (2,576) |
| Other expenses | | 83,626 | 41,387 |
| | | 826,954 | 559,952 |
| Change in trade accounts and notes receivable | | (92,171) | 490,298 |
| Change in other accounts receivable | | 81,564 | (23,703) |
| Change in other current assets | | (124,923) | (138,073) |
| Change in inventories | | 119,690 | (289,977) |
| Change in other non-current accounts receivable | | (54) | |
| Change in other non-current assets | | (17,367) | (21,242) |
| Change in trade accounts and notes payable | | 52,786 | 92,502 |
| Change in other accounts payable | | (133,890) | 43,596 |
| Change in accrued expenses | | 66,128 | (92,812) |
| Change in other current liabilities | | 5,472 | 18,544 |
| Change in long-term advances received | | | 281,975 |
| Change in other non-current liabilities | | 89 | (3,355) |
| Change in provisions | | (52,100) | (35,314) |
| Change in defined benefit obligation | 14 | (10,556) | (3,173) |
| Cash generated from operating activities | | 721,622 | 879,218 |
| Income taxes paid | | (29,959) | (56,363) |
| Interest received | | 9,279 | 22,806 |
| Interest paid | | (50,073) | (31,222) |
| Net cash from operating activities | (Won) | 650,869 | 814,439 |

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Cash Flows, Continued

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|---|-------|--------------------|------------------|
| Cash flows from investing activities: | | | |
| Dividends received | (Won) | | 242 |
| Proceeds from withdrawal of deposits in banks | | 400,000 | 1,100,000 |
| Increase in deposits in banks | | (342,846) | (801,000) |
| Acquisition of investments in equity accounted investees | | | (1,908) |
| Proceeds from disposal of investments in equity accounted investees | | | 1,356 |
| Acquisition of property, plant and equipment | | (1,197,360) | (1,039,187) |
| Proceeds from disposal of property, plant and equipment | | 151 | 157 |
| Acquisition of intangible assets | | (82,594) | (58,970) |
| Grants received | | 2,170 | 940 |
| Proceeds from (payment upon) settlement of derivatives | | (1,619) | 9,844 |
| Proceeds from short-term loans | | | 49 |
| Increase in short-term loans | | (39) | |
| Acquisition of other non-current financial assets | | (481) | (25,188) |
| Proceeds from disposal of other non-current financial assets | | 7,102 | 121,651 |
| Net cash used in investing activities | | (1,215,516) | (692,014) |
| Cash flows from financing activities: | | | |
| Proceeds from short-term borrowings | | 2,648,686 | 106,580 |
| Repayment of short-term borrowings | | (1,759,990) | (328,655) |
| Issuance of debentures | | | 298,726 |
| Repayment of current portion of long-term debts | | (212,084) | (24,839) |
| Increase in non-controlling interest | | | 3,283 |
| Net cash provided by financing activities | | 676,612 | 55,095 |
| Net Increase in cash and cash equivalents | | 111,965 | 177,520 |
| Cash and cash equivalents at January 1 | | 1,517,977 | 1,631,009 |
| Effect of exchange rate fluctuations on cash held | | 5,685 | (151) |
| Cash and cash equivalents at March 31 | (Won) | 1,635,627 | 1,808,378 |

See accompanying notes to the condensed consolidated interim financial statements.

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1. Reporting Entity

(a) Description of the Controlling Company

LG Display Co., Ltd. (the Controlling Company) was incorporated in February 1985 under its original name of LG Soft, Ltd. as a wholly owned subsidiary of LG Electronics Inc. In 1998, LG Electronics Inc. and LG Semicon Co., Ltd. transferred their respective Thin Film Transistor Liquid Crystal Display (TFT-LCD) related business to the Controlling Company. The main business of the Controlling Company and its subsidiaries is to manufacture and sell TFT-LCD panels. The Controlling Company is a stock company (Jusikhoesa) domiciled in the Republic of Korea with its address at 128 Yeouidae-ro, Yeongdeungpo-gu, Seoul, the Republic of Korea. In July 1999, LG Electronics Inc. and Koninklijke Philips Electronics N.V. (Philips) entered into a joint venture agreement. Pursuant to the agreement, the Controlling Company changed its name to LG.Philips LCD Co., Ltd. However, on February 29, 2008, the Controlling Company changed its name to LG Display Co., Ltd. based upon the approval of shareholders at the general shareholders meeting on the same date as a result of the decrease in Philips's share interest in the Controlling Company and the possibility of its business expansion to Organic Light Emitting Diode (OLED) and Flexible Display products. As of March 31, 2012, LG Electronics Inc. owns 37.9% (135,625,000 shares) of the Controlling Company's common shares.

As of March 31, 2012, the Controlling Company has its TFT-LCD manufacturing plants, OLED manufacturing plant and LCD Research & Development Center in Paju and TFT-LCD manufacturing plants and OLED manufacturing plant in Gumi. The Controlling Company has overseas subsidiaries located in the United States of America, Europe and Asia.

The Controlling Company's common stock is listed on the Korea Exchange under the identifying code 034220. As of March 31, 2012, there are 357,815,700 shares of common stock outstanding. The Controlling Company's common stock is also listed on the New York Stock Exchange in the form of American Depositary Shares (ADSs) under the symbol LPL. One ADS represents one-half of one share of common stock. As of March 31, 2012, there are 21,085,294 ADSs outstanding.

Table of Contents1. Reporting Entity, Continued(b) Consolidated Subsidiaries as of March 31, 2012

(In millions)

| Subsidiaries | Location | Percentage of ownership | Date of incorporation | Fiscal year end | Business | Capital stocks |
|--|---------------------|-------------------------|-----------------------|-----------------|--|----------------|
| LG Display America | California, U.S.A. | 100% | September 24, 1999 | December 31 | Sell TFT-LCD products | USD185 |
| LG Display Japan Co., Ltd. | Tokyo, Japan | 100% | October 12, 1999 | December 31 | Sell TFT-LCD Products | JPY95 |
| LG Display Germany GmbH | Dusseldorf, Germany | 100% | November 5, 1999 | December 31 | Sell TFT-LCD products | EUR1 |
| LG Display Taiwan Co., Ltd. | Taipei, Taiwan | 100% | April 12, 1999 | December 31 | Sell TFT-LCD products | NTD116 |
| LG Display Nanjing Co., Ltd. | Nanjing, China | 100% | July 15, 2002 | December 31 | Manufacture and sell TFT-LCD products | CNY2,552 |
| LG Display Shanghai Co., Ltd. | Shanghai, China | 100% | January 16, 2003 | December 31 | Sell TFT-LCD products | CNY4 |
| LG Display Poland Sp. z o. o. | Wroclaw, Poland | 80% | September 6, 2005 | December 31 | Manufacture and sell TFT-LCD products | PLN511 |
| LG Display Guangzhou Co., Ltd. | Guangzhou, China | 90% | June 30, 2006 | December 31 | Manufacture and sell TFT-LCD products | CNY992 |
| LG Display Shenzhen Co., Ltd. | Shenzhen, China | 100% | August 28, 2007 | December 31 | Sell TFT-LCD products | CNY4 |
| LG Display Singapore Pte. Ltd. | Singapore | 100% | January 12, 2009 | December 31 | Sell TFT-LCD products | SGD1.4 |
| L&T Display Technology (Xiamen) Limited | Xiamen, China | 51% | January 5, 2010 | December 31 | Manufacture LCD module and TV sets | CNY82 |
| L&T Display Technology (Fujian) Limited | Fujian, China | 51% | January 5, 2010 | December 31 | Manufacture LCD Module and monitor sets | CNY116 |
| LG Display Yantai Co., Ltd. | Yantai, China | 100% | April 19, 2010 | December 31 | Manufacture and sell TFT-LCD products | CNY273 |
| L&I Electronic Technology (Dongguan) Limited | Dongguan, China | 51% | September 26, 2010 | December 31 | Manufacture and Sell e-Book devices | CNY33 |
| Image & Materials, Inc.(*1) | Domestic | 100% | May 17, 2006 | December 31 | Manufacture EPD materials | KRW1,008 |
| LUCOM Display Technology (Kunshan) Limited | Kunshan, China | 51% | December 15, 2010 | December 31 | Manufacture Notebook Borderless Hinge-up | CNY99 |
| LG Display U.S.A Inc. | Texas, U.S.A. | 100% | October 26, 2011 | December 31 | Manufacture TFT-LCD products | USD11 |
| LG Display Reynosa S.A. de C.V. | Reynosa, Mexico | 100% | November 24, 2011 | December 31 | Manufacture TFT-LCD products | MXN112 |
| Nanumnuri Co., Ltd.(*2) | Domestic | 100% | March 21, 2012 | December 31 | Cleaning, Washing, Cafe | KRW800 |

(*1) In February 2012, the Controlling Company invested (Won)3,000 million in cash for the capital increase of Image & Materials, Inc. There were no changes in the Controlling Company's ownership percentage in Image & Materials, Inc., as a result of this additional investment.

(*2) In March 2012, the Controlling Company established Nanumnuri Co., Ltd., a wholly owned subsidiary of the Controlling Company was established as a Standard Workplace for the Disabled under Act on Employment Promotion and Vocational Rehabilitation for Disabled Persons, with investment of (Won)800 million in cash.

Table of Contents1. Reporting Entity, Continued

(c) Associates and Jointly Controlled Entities (Equity Method Investees) as of March 31, 2012
(In millions of won)

| Associates and jointly controlled entities | Location | Percentage of ownership | Date of incorporation | Fiscal year end | Business | Carrying Amount |
|--|--------------------|--------------------------------|------------------------------|------------------------|--|------------------------|
| Suzhou Raken Technology Ltd. | Suzhou, China | 51% | October 2008 | December 31 | Manufacture and sell LCD modules and LCD TV set | (Won) 130,567 |
| Guangzhou New Vision Technology Research and Development Limited | Guangzhou, China | 50% | July 2008 | December 31 | R&D on design of LCD modules and LCD TV set | 3,752 |
| Global OLED Technology LLC | Virginia, U.S.A. | 33% | December 2009 | December 31 | Managing and utilizing OLED patents | 42,786 |
| Paju Electric Glass Co., Ltd. | Domestic | 40% | January 2005 | December 31 | Manufacture electric glass for flat-panel displays | 73,274 |
| TLI Inc. | Domestic | 12% | October 1998 | December 31 | Manufacture and sell semiconductor parts | 16,162 |
| AVACO Co., Ltd. | Domestic | 20% | January 2001 | December 31 | Manufacture and sell equipment for flat-panel displays | 8,210 |
| New Optics LTD. | Domestic | 42% | August 2005 | December 31 | Manufacture back light parts for TFT-LCDs | 15,890 |
| LIG ADP Co., Ltd. | Domestic | 13% | January 2001 | December 31 | Develop and manufacture the equipment for flat-panel displays | 2,666 |
| WooRee LED Co., Ltd. | Domestic | 30% | June 2008 | December 31 | Manufacture LED back light unit packages | 21,772 |
| Dynamic Solar Design Co., Ltd. | Domestic | 40% | April 2009 | December 31 | Develop and manufacture equipment for solar battery and flat-panel displays | 1,197 |
| RPO, Inc. | California, U.S.A. | 26% | November 2005 | December 31 | Develop digital waveguide touch technology | |
| LB Gemini New Growth Fund No. 16 | Domestic | 31% | December 2009 | December 31 | Invest in small and middle sized companies and to benefit from M&A opportunities | 14,363 |
| Can Yang Investments Limited | Hong Kong | 9% | January 2010 | December 31 | Develop and manufacture and sell TFT-OLEDs | 12,880 |
| YAS Co., Ltd. | Domestic | 19% | April 2002 | December 31 | Develop and manufacture deposition equipment for OLEDs | 9,697 |
| Eralite Optoelectronics (Jiangsu) Co., Ltd. | Suzhou, China | 20% | August 2010 | December 31 | Manufacture LED Packages | 3,892 |
| Narenanotech Corporation | Domestic | 23% | December 1995 | December 31 | Manufacture and sell equipment for flat-panel displays | 27,781 |
| Avatec. Co., Ltd. | Domestic | 20% | August 2000 | December 31 | Manufacture and sell glass for flat-panel displays | 10,712 |

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2. **Basis of Presenting Financial Statements**

(a) **Statement of Compliance**

The condensed consolidated interim financial statements have been prepared in accordance with Korean International Financial Reporting Standards (K-IFRSs) 1034, *Interim Financial Reporting*. They do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the consolidated financial statements of the Group as of and for the year ended December 31, 2011.

The condensed consolidated interim financial statements were authorized for issuance by the Board of Directors on April 24, 2012.

(b) **Basis of Measurement**

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

derivative financial instruments measured at fair value;

financial instruments at fair value through profit or loss measured at fair value;

available-for-sale financial assets measured at fair value; and

liabilities for defined benefit plans recognized at the net total of the present value of defined benefit obligation less the fair value of plan assets

(c) **Functional and Presentation Currency**

The condensed consolidated interim financial statements are presented in Korean won, which is the Controlling Company's functional currency. All amounts in Korean won are in millions unless otherwise stated.

(d) **Use of Estimates and Judgments**

The preparation of the condensed consolidated interim financial statements in conformity with K-IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied in its financial statements as of and for the year ended December 31, 2011.

Table of Contents**3. Summary of Significant Accounting Policies**

The significant accounting policies followed by the Group in the preparation of its condensed consolidated interim financial statements are the same as those followed by the Group in its preparation of the consolidated financial statements as of and for the year ended December 31, 2011, except for the application of K-IFRS No. 1034, *Interim Financial Reporting*, and the amendments to K-IFRS No. 1107, *Financial Instruments: Disclosures*, as explained below:

The Group has applied the amendments to K-IFRS No. 1107, *Financial Instruments: Disclosures*, effective January 1, 2012, by prospectively disclosing the nature of transferred assets, their carrying amount, and the description of risks and rewards for each class of transferred financial assets that are not derecognized in their entirety.

4. Financial Risk Management

The objectives and policies on financial risk management followed by the Group are consistent with those disclosed in the consolidated financial statements as of and for the year ended December 31, 2011.

5. Inventories

Inventories as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | | | 2011 | | |
|-----------------|-------|---------------------|----------------------|---------------|---------------------|----------------------|---------------|
| | | Acquisition cost | Inventory reserve | Book value | Acquisition cost | Inventory reserve | Book value |
| Finished goods | (Won) | 934,639 | (28,112) | 906,527 | 947,046 | (25,110) | 921,936 |
| Work-in-process | | 781,748 | (41,789) | 739,959 | 818,666 | (46,460) | 772,206 |
| Raw materials | | 410,009 | (15,321) | 394,688 | 475,378 | (17,293) | 458,085 |
| Supplies | | 202,131 | (45,625) | 156,506 | 209,621 | (44,478) | 165,143 |
| | (Won) | 2,328,527 | (130,847) | 2,197,680 | 2,450,711 | (133,341) | 2,317,370 |

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6. Investments in Equity Accounted Investees

In 2012, the Controlling Company's ownership in Can Yang Investments Limited was reduced from 12% to 9% because the Controlling Company did not participate in Can Yang Investments Limited's capital increase. Despite the decrease in ownership, the Controlling Company is still able to exercise significant influence through its right to assign a director to the board of directors of Can Yang Investments Limited.

7. Property, Plant and Equipment

For the three-month periods ended March 31, 2012 and 2011, the Group purchased property, plant and equipment of (Won)665,936 million and (Won)1,509,914 million, respectively. The capitalized borrowing costs and capitalization rate are (Won)7,789 million and 3.11%, and (Won)4,762 million and 2.03%, for the three-month periods ended March 31, 2012 and 2011, respectively.

8. Intangible Assets

The Group capitalizes the expenditures related to development activities, such as expenditures incurred on designing, manufacturing and testing of products that are ultimately selected for production. The balances of capitalized development costs as of March 31, 2012 and December 31, 2011 are (Won)158,592 million and (Won)144,211 million, respectively.

Table of Contents9. Financial Instruments

(a) Credit risk

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-------------|-------------|
| Cash and cash equivalents | (Won) | 1,635,627 | 1,517,977 |
| Trade accounts and notes receivable, net | | 2,275,164 | 2,740,107 |
| Other accounts receivable, net | | 123,121 | 212,870 |
| Available-for-sale financial assets | | 2,838 | 2,838 |
| Guarantee deposits | | 72,925 | 73,468 |
| Derivatives not designated for hedging | | 57 | |
| Deposits in banks | | 757,846 | 815,000 |
| Guarantee deposits with banks | | 735 | 695 |
| | (Won) | 4,868,313 | 5,362,955 |

The maximum exposure to credit risk for trade accounts and notes receivable as of March 31, 2012 and December 31, 2011 by geographic region is as follows:

(In millions of won)

| | | 2012 | 2011 |
|---------------------|-------|-------------|-------------|
| Domestic | (Won) | 129,587 | 56,200 |
| Euro-zone countries | | 452,742 | 478,650 |
| Japan | | 118,112 | 60,598 |
| United States | | 462,086 | 777,292 |
| China | | 736,934 | 1,003,650 |
| Taiwan | | 250,476 | 279,919 |
| Others | | 125,227 | 83,798 |
| | (Won) | 2,275,164 | 2,740,107 |

Table of Contents9. Financial Instruments, Continued

(ii) Impairment loss

The aging of trade accounts and notes receivable and the related allowance for impairment losses as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | | 2011 | |
|---------------------|-------|------------|--|------------|--|
| | | Book Value | Allowance for Impairment Losses | Book Value | Allowance for Impairment Losses |
| Not past due | (Won) | 2,216,773 | (398) | 2,704,076 | (654) |
| Past due 1-15 days | | 15,095 | (3) | 7,710 | (2) |
| Past due 16-30 days | | 12,826 | (2) | 14,327 | (2) |
| Past due 31-60 days | | 12,157 | (3) | 14,252 | (3) |
| More than 60 days | | 18,722 | (3) | 405 | (2) |
| | (Won) | 2,275,573 | (409) | 2,740,770 | (663) |

The movement in the allowance for impairment in respect of receivables during the three-month period ended March 31, 2012 and the year ended December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-------|------|
| Balance at the beginning of the period | (Won) | 663 | 532 |
| Bad debt expense (reversal of allowance for doubtful accounts) | | (254) | 131 |
| Balance at the reporting date | (Won) | 409 | 663 |

Table of Contents9. Financial Instruments, Continued

(b) Liquidity risk

- (i) The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements as of March 31, 2012:

(In millions of won)

| | Carrying amount | Contractual cash flows | 6 months or less | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
|---|--------------------|---------------------------|---------------------|----------------|--------------|--------------|-------------------------|
| Non-derivative financial liabilities | | | | | | | |
| Secured bank loan (Won) | 56,890 | 59,914 | 672 | 672 | 29,789 | 28,781 | |
| Unsecured bank loans | 2,333,229 | 2,449,594 | 1,019,470 | 85,816 | 418,918 | 922,628 | 2,761 |
| Unsecured bond issues | 2,777,434 | 3,095,590 | 196,545 | 552,629 | 478,553 | 1,867,863 | |
| Financial liabilities at fair value | | | | | | | |
| through profit or loss | 86,903 | 87,688 | 87,688 | | | | |
| Trade accounts and notes payable | 3,845,410 | 3,845,410 | 3,845,410 | | | | |
| Other accounts payables | 3,241,192 | 3,242,739 | 3,242,739 | | | | |
| Other non-current payable | 15,078 | 15,954 | | 54 | 15,900 | | |
| Derivative financial liabilities | | | | | | | |
| Forward exchange contracts not designated for hedging | | | | | | | |
| Outflow | 199 | 159,317 | 159,317 | | | | |
| Inflow | | (159,118) | (159,118) | | | | |
| (Won) | 12,356,335 | 12,797,088 | 8,392,723 | 639,171 | 943,160 | 2,819,272 | 2,761 |

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

- (ii) As of March 31, 2012, there is no derivative designated as cash flow hedge.

Table of Contents9. Financial Instruments, Continued

(c) Currency risk

(i) Exposure to currency risk

The Group's exposure to foreign currency risk based on notional amounts as of March 31, 2012 and December 31, 2011 is as follows:

| <i>(In millions)</i> | 2012 | | | | | | |
|--|---------|----------|---------|-------|------|-----|-----|
| | USD | JPY | CNY | TWD | EUR | PLN | SGD |
| Cash and cash equivalents | 994 | 15,883 | 983 | 2 | 16 | 3 | 1 |
| Deposits in banks | 300 | | | | | | |
| Trade accounts and notes receivable | 1,739 | 594 | 1,113 | | 25 | 21 | |
| Other accounts receivable | | 289 | 136 | 12 | 12 | | |
| Available-for-sale financial assets | 5 | | | 72 | | | |
| Other assets denominated in foreign currencies | 1 | 184 | 21 | 15 | | | 1 |
| Trade accounts and notes payable | (1,842) | (36,925) | (1,649) | (216) | (19) | | |
| Other accounts payable | (79) | (14,483) | (317) | (10) | (44) | (7) | |
| Other non-current accounts payable | (13) | | | | | | |
| Debts | (1,675) | (4,000) | (142) | | (22) | | |
| Bonds | (348) | (9,992) | | | | | |
| Financial liabilities at fair value through profit or loss | (76) | | | | | | |
| Gross statement of financial position exposure | (994) | (48,450) | 145 | (125) | (32) | 17 | 2 |
| Forward exchange contracts | (160) | | | | | | |
| Net exposure | (1,154) | (48,450) | 145 | (125) | (32) | 17 | 2 |

Table of Contents9. Financial Instruments, Continued*(In millions)*

| | USD | JPY | CNY | 2011 | | | |
|--|---------|----------|---------|-------|------|------|-----|
| | | | | TWD | EUR | PLN | SGD |
| Cash and cash equivalents | 822 | 14,286 | 439 | 4,543 | 40 | 7 | |
| Trade accounts and notes receivable | 2,064 | 645 | 1,054 | | 42 | | |
| Other accounts receivable | 80 | 111 | 134 | 222 | 10 | | |
| Available-for-sale financial assets | 5 | | | 49 | | | |
| Other assets denominated in foreign currencies | 1 | 182 | 20 | 14 | | | 1 |
| Trade accounts payable | (1,921) | (39,932) | (1,629) | | (25) | | |
| Other accounts payable | (64) | (26,169) | (401) | (166) | (84) | (10) | |
| Other non-current accounts payable | (13) | | | | (26) | | |
| Debts | (1,044) | (6,000) | (142) | | (27) | | |
| Bonds | (347) | (9,987) | | | | | |
| Financial liabilities at fair value through profit or loss | (76) | | | | | | |
| Gross statement of financial position exposure | (493) | (66,864) | (525) | 4,662 | (70) | (3) | 1 |
| Forward exchange contracts | (160) | | | | | | |
| Net exposure | (653) | (66,864) | (525) | 4,662 | (70) | (3) | 1 |

Average exchange rates applied for the three-month periods ended March 31, 2012 and 2011 and the exchange rates at March 31, 2012 and December 31, 2011 are as follows:

(In won)

| | | Average rate | | Spot rate | |
|-----|-------|--------------|----------|----------------|--------------|
| | | 2012 | 2011 | March 31, | December 31, |
| | | (Won) | (Won) | 2012 | 2011 |
| USD | (Won) | 1,131.43 | 1,121.04 | (Won) 1,137.80 | 1,153.30 |
| JPY | | 14.29 | 13.63 | 13.81 | 14.85 |
| CNY | | 179.32 | 170.29 | 180.44 | 182.51 |
| TWD | | 38.09 | 38.31 | 38.50 | 38.13 |
| EUR | | 1,483.90 | 1,532.38 | 1,513.44 | 1,494.10 |
| PLN | | 350.94 | 388.16 | 364.06 | 338.65 |
| SGD | | 894.97 | 877.20 | 904.52 | 886.44 |

Table of Contents9. Financial Instruments, Continued

(ii) Sensitivity analysis

A weakening of the won, as indicated below, against the following currencies which comprise the Group's financial assets or liabilities denominated in foreign currency as of March 31, 2012 and December 31, 2011 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of each reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The changes in equity and profit or loss are as follows:

(In millions of won)

| | | 2012 | | 2011 | |
|---------------------------|-------|----------|-------------------|----------|-------------------|
| | | Equity | Profit or loss | Equity | Profit or loss |
| USD (5 percent weakening) | (Won) | (53,836) | (37,033) | (29,623) | (28,032) |
| JPY (5 percent weakening) | | (26,153) | (22,851) | (40,040) | (35,494) |
| CNY (5 percent weakening) | | 1,320 | | (4,830) | |
| TWD (5 percent weakening) | | (216) | (87) | 8,974 | 162 |
| EUR (5 percent weakening) | | (1,890) | (1,528) | (4,900) | (1,957) |
| PLN (5 percent weakening) | | 318 | 30 | (85) | 128 |
| SGD (5 percent weakening) | | 44 | | 4 | |

A strengthening of the won against the above currencies as of March 31, 2012 and December 31, 2011 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Table of Contents9. Financial Instruments, Continued

(d) Interest rate risk

(i) Profile

The interest rate profile of the Group's interest-bearing financial instruments as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|----------------------------------|-------|-------------|-------------|
| Fixed rate instruments | | | |
| Financial assets | (Won) | 2,396,311 | 2,335,815 |
| Financial liabilities | | (2,685,319) | (2,685,175) |
| | (Won) | (289,008) | (349,360) |
| Variable rate instruments | | | |
| Financial assets | (Won) | 600 | 600 |
| Financial liabilities | | (2,569,137) | (1,925,192) |
| | (Won) | (2,568,537) | (1,924,592) |

(ii) Fair value sensitivity analysis for fixed rate instruments

The Group has recognized certain fixed rate convertible bonds as financial liabilities at fair value through profit or loss. As of March 31, 2012, an increase in the interest rate by 100 basis points would have decreased the Group's profit or loss by (Won)29 million and a decrease in the interest rate by 100 basis points would have increased the Group's profit or loss by (Won)29 million.

(iii) Cash flow sensitivity analysis for variable rate instruments

As of March 31, 2012 and December 31, 2011, a change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below for each 12-month period following the reporting dates. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

| <i>(In millions of won)</i> | | Equity | | Profit or loss | |
|-----------------------------|-------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 1% p increase | 1% p decrease | 1% p increase | 1% p decrease |
| March 31, 2012 | | | | | |
| Variable rate instruments | (Won) | (19,470) | 19,470 | (19,470) | 19,470 |
| December 31, 2011 | | | | | |
| Variable rate instruments | (Won) | (14,588) | 14,588 | (14,588) | 14,588 |

Table of Contents9. Financial Instruments, Continued

(e) Fair values

(i) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed consolidated interim statements of financial position, are as follows:

| <i>(In millions of won)</i> | | March 31, 2012 | | December 31, 2011 | |
|--|-------|------------------|-------------|-------------------|-------------|
| | | Carrying amounts | Fair values | Carrying amounts | Fair values |
| Assets carried at fair value | | | | | |
| Available-for-sale financial assets | (Won) | 11,855 | 11,855 | 11,009 | 11,009 |
| Derivatives | | 57 | 57 | | |
| | (Won) | 11,912 | 11,912 | 11,009 | 11,009 |
| Assets carried at amortized cost | | | | | |
| Cash and cash equivalents | (Won) | 1,635,627 | 1,635,627 | 1,517,977 | 1,517,977 |
| Trade accounts and notes receivable | | 2,275,164 | 2,275,164 | 2,740,107 | 2,740,107 |
| Other accounts receivable | | 123,121 | 123,121 | 212,870 | 212,870 |
| Deposits in banks | | 757,846 | 757,846 | 815,000 | 815,000 |
| Deposits | | 72,925 | 72,925 | 73,468 | 73,468 |
| Others | | 735 | 735 | 695 | 695 |
| | (Won) | 4,865,418 | 4,865,418 | 5,360,117 | 5,360,117 |
| Liabilities carried at fair value | | | | | |
| Financial liabilities at fair value through profit or loss | (Won) | 86,903 | 86,903 | 87,339 | 87,339 |
| Derivatives | | 199 | 199 | 6,969 | 6,969 |
| | (Won) | 87,102 | 87,102 | 94,308 | 94,308 |
| Liabilities carried at amortized cost | | | | | |
| Secured bank loans | (Won) | 56,890 | 56,890 | 57,665 | 57,665 |
| Unsecured bank loans | | 2,333,229 | 2,346,265 | 1,673,387 | 1,620,010 |
| Unsecured bond issues | | 2,777,434 | 2,816,378 | 2,791,976 | 2,829,206 |
| Trade accounts and notes payable | | 3,845,410 | 3,845,410 | 3,782,627 | 3,782,627 |
| Other accounts payable | | 3,241,192 | 3,242,207 | 3,905,496 | 3,905,496 |
| Other non-current liabilities | | 15,078 | 15,018 | 53,457 | 53,379 |
| | (Won) | 12,269,233 | 12,322,168 | 12,264,608 | 12,248,383 |

The basis for determining fair values above by the Group are consistent with those disclosed in the financial statements as of and for the year ended December 31, 2011.

Table of Contents9. Financial Instruments, Continued

(ii) Interest rates used for determining fair value

The significant interest rates applied for determination of the above fair value as of March 31, 2012 and December 31, 2011 are as follows:

| | 2012 | 2011 |
|----------------------------------|-------|-------|
| Derivatives | 3.76% | 3.90% |
| Debentures, loans and borrowings | 3.78% | 4.19% |

(iii) Fair value hierarchy

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows: "

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: inputs for the asset or liability that are not based on observable market data

(In millions of won)

| | | Level 1 | Level 2 | Level 3 | Total |
|--|-------|----------|---------|---------|----------|
| March 31, 2012 | | | | | |
| Available-for-sale financial assets | (Won) | 11,855 | | | 11,855 |
| Derivatives not used for hedging | | | 57 | | 57 |
| | (Won) | 11,855 | 57 | | 11,912 |
| Financial liabilities at fair value through profit or loss | (Won) | (86,903) | | | (86,903) |
| Derivatives not designated for hedging | | | (199) | | (199) |
| | (Won) | (86,903) | (199) | | (87,102) |

(In millions of won)

| | | Level 1 | Level 2 | Level 3 | Total |
|--|-------|----------|---------|---------|----------|
| December 31, 2011 | | | | | |
| Available-for-sale financial assets | (Won) | 11,009 | | | 11,009 |
| Financial liabilities at fair value through profit or loss | (Won) | (87,339) | | | (87,339) |
| Derivatives not designated for hedging | | | (6,969) | | (6,969) |
| | (Won) | (87,339) | (6,969) | | (94,308) |

The derivative financial assets and liabilities are classified as Level 2 since all significant inputs to compute the fair value of the over-the-counter derivatives were observable.

Table of Contents9. Financial Instruments, Continued

(f) Capital Management

Management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Liabilities to equity ratio, net borrowings to equity ratio and other financial ratios are used by management to achieve an optimal capital structure. Management also monitors the level of dividends to ordinary shareholders. Equity, defined by K-IFRS, is identical to the definition of capital, managed by management.

(In millions of won)

| | | March 31, 2012 | December 31, 2011 |
|------------------------------------|-------|-----------------------|--------------------------|
| Total liabilities | (Won) | 14,532,732 | 15,031,903 |
| Total equity | | 9,998,833 | 10,131,028 |
| Cash and deposits in banks(*1) | | 2,393,473 | 2,332,977 |
| Borrowings | | 5,254,456 | 4,610,367 |
| Total Liabilities to equity ratio | | 145% | 148% |
| Net borrowings to equity ratio(*2) | | 29% | 22% |

(*1) Cash and deposits in banks consist of cash and cash equivalents and deposits in banks.

(*2) Net borrowings is computed as borrowings net of cash and deposits in banks.

Table of Contents10. Financial Liabilities

(a) Financial liabilities as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--|-------|-----------|-----------|
| Current | | | |
| Short-term borrowings | (Won) | 910,959 | 22,200 |
| Current portion of long-term debt | | 789,366 | 778,464 |
| Current portion of financial liabilities at fair value through profits or loss | | 86,903 | 87,339 |
| Derivatives not designated for hedging | | 199 | 6,969 |
| | (Won) | 1,787,427 | 894,972 |
| Non-current | | | |
| Won denominated borrowings | (Won) | 365,484 | 366,629 |
| Foreign currency denominated borrowings | | 961,746 | 1,011,734 |
| Debentures | | 2,139,998 | 2,344,001 |
| | (Won) | 3,467,228 | 3,722,364 |

Above financial liabilities, except for convertible bonds which are designated as financial liabilities at fair value through profit or loss and derivative liabilities, are measured at amortized cost.

(b) Short-term borrowings as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won, USD)

| Lender | Annual interest rate as of March 31, 2012(*1) | 2012 | 2011 |
|---|---|---------------|--------|
| Foreign currency short-term borrowings | | | |
| Woori Bank and others | 1ML + 0.72% ~ 1.00% | (Won) 910,248 | |
| Bank of China and others | 3ML + 2.35% ~ 2.60% | | 21,489 |
| Foreign currency equivalent | | USD 800 | USD 19 |
| | | 910,248 | 21,489 |
| Local currency short-term borrowings | | | |
| Shinhan Bank and others | CD + 1.68% | 711 | 711 |
| | | (Won) 910,959 | 22,200 |

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(*1) ML and CD represent month LIBOR (London Inter-Bank Offered Rates) and certificate of deposit, respectively.

Table of Contents10. Financial Liabilities, Continued

(c) Local currency long-term debt as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won)

| Lender | Annual interest rate | | 2012 | 2011 |
|---|--|--|---------------|---------|
| | as of March 31, 2012 | | | |
| Shinhan Bank | 3-year Korean Treasury Bond rate less 1.25%, 2.75% | | (Won) 19,867 | 20,817 |
| National Agricultural Cooperative Federation and others | 5.05% ~ 5.21%, CD + 3.03% | | 350,300 | 350,300 |
| Less current portion of long-term debt | | | (4,683) | (4,488) |
| | | | (Won) 365,484 | 366,629 |

(d) Foreign currency denominated long-term debt as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won, USD, JPY, CNY and EUR)

| Lender | Annual interest rate | | 2012 | 2011 |
|--|--|--|---|---|
| | as of March 31, 2012 | | | |
| The Export-Import Bank of Korea | 6ML + 0.69% | | (Won) 34,134 | 40,366 |
| Kookmin Bank and others | 6ML + 1.78%, 3ML + 0.66% ~ 2.79% | | 1,074,859 | 1,297,369 |
| Foreign currency equivalent | | | USD 875 CNY 142 EUR 22 JPY 4,000 | USD 1,025 CNY 142 EUR 27 JPY 6,000 |
| Less current portion of long-term debt | | | (147,247) | (326,001) |
| | | | (Won) 961,746 | 1,011,734 |

Table of Contents10. Financial Liabilities, Continued

(e) Details of the Controlling Company's debentures issued and outstanding as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won, JPY and USD)

| | Maturity | Annual interest rate as of | 2012 | 2011 |
|---|--------------------------|----------------------------|------------|------------|
| Local currency debentures(*) | | | | |
| Publicly issued debentures | November 2012 ~ | | | |
| | October 2016 | 4.24% ~ 5.89% (Won) | 2,250,000 | 2,250,000 |
| Less discount on debentures | | | (6,141) | (6,721) |
| Less current portion | | | (499,472) | (299,658) |
| | | (Won) | 1,744,387 | 1,943,621 |
| Foreign currency debentures(*) | | | | |
| Floating-rate notes | | 3ML + 1.80% | | |
| | August 2012 ~ April 2013 | ~ 2.40% (Won) | 536,304 | 552,171 |
| Foreign currency equivalent | | | USD 350 | USD 350 |
| | | | JPY 10,000 | JPY 10,000 |
| Less discount on bonds | | | (2,729) | (3,474) |
| Less current portion | | | (137,964) | (148,317) |
| | | (Won) | 395,611 | 400,380 |
| Financial liabilities at fair value through profit or loss | | | | |
| Convertible bonds | April 2012 | Zero coupon (Won) | 86,903 | 87,339 |
| Foreign currency equivalent | | | USD 76 | USD 76 |
| Less current portion | | (Won) | (86,903) | (87,339) |
| | | (Won) | 2,139,998 | 2,344,001 |

(*) Principal of the local currency debentures is to be repaid at maturity and interests are paid quarterly in arrears.

Table of Contents10. Financial Liabilities, Continued

(f) Details of the convertible bonds are as follows:

| | Terms and Conditions |
|-------------------------------------|--------------------------------|
| Issue date | April 18, 2007 |
| Maturity date | April 18, 2012 |
| Conversion period | April 19, 2008 ~ April 3, 2012 |
| Coupon interest rate | 0% |
| Conversion price (in won) per share | (Won)47,892 |

The Group designated foreign currency denominated convertible bonds as financial liabilities at fair value through profits or loss. The Group measured the convertible bonds at their fair value using the market quotes available at Bloomberg and recognizes the convertible bonds at fair value with changes in fair value recognized in profit or loss.

The remaining balance of convertible bonds was repaid at 116.77% of the principal amount on April 18, 2012.

Table of Contents11. The Nature of Expenses

The nature of expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-----------|-----------|
| Changes in inventories | (Won) | 119,691 | (289,977) |
| Purchase of raw material and merchandise | | 3,770,750 | 3,616,470 |
| Depreciation and amortization | | 990,003 | 815,839 |
| Outsourcing fee | | 29,854 | 28,261 |
| Labor costs | | 633,539 | 575,937 |
| Supplies and others | | 206,616 | 276,803 |
| Utility expense | | 160,578 | 134,356 |
| Fees and commissions | | 109,299 | 108,002 |
| Shipping costs | | 103,844 | 79,944 |
| After-sale service expenses | | 26,356 | 15,854 |
| Others | | 274,997 | 259,439 |
| | (Won) | 6,425,527 | 5,620,928 |

Total expenses consist of cost of sales, selling, administrative, research and development expenses and others (except foreign exchange difference).

For the three-month period ended March 31, 2012, other income and other expenses included exchange differences amounting to (Won)275,494 million and (Won)216,295 million, respectively (three-month period ended March 31, 2011: (Won)329,601 million and (Won)316,872 million, respectively).

The expenses for the three-month period ended March 31, 2011 were reclassified to conform to the classification for the three-month period ended March 31, 2012.

Table of Contents12. Selling and Administrative Expenses

Details of selling and administrative expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|---------|---------|
| Salaries | (Won) | 60,944 | 59,384 |
| Expenses related to defined benefit plan | | 5,568 | 4,844 |
| Other employee benefit | | 13,285 | 14,579 |
| Shipping costs | | 89,033 | 67,450 |
| Fees and commissions | | 51,636 | 43,584 |
| Depreciation and amortization | | 25,386 | 13,102 |
| Taxes and dues | | 3,689 | 10,904 |
| Advertising | | 24,493 | 25,259 |
| After-sale service expenses | | 26,356 | 15,854 |
| Others | | 35,252 | 35,158 |
| | (Won) | 335,642 | 290,118 |

The expenses for the three-month period ended March 31, 2011 were reclassified to conform to the classification for the three-month period ended March 31, 2012.

13. Other Income and Other Expenses

(a) Details of other income for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|---------|---------|
| Rental income | (Won) | 1,341 | 1,461 |
| Foreign currency gain | | 275,494 | 329,601 |
| Gain on disposal of property, plant and equipment | | 53 | 158 |
| Reversal of allowance for doubtful accounts for other receivables | | 541 | 211 |
| Reversal of stock compensation cost | | 3 | 267 |
| Commission earned | | 852 | 836 |
| Others | | 1,646 | 510 |
| | (Won) | 279,930 | 333,044 |

Table of Contents13. Other Income and Other Expenses, Continued

(b) Details of other expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|---------|---------|
| Other bad debt expense | (Won) | | 285 |
| Foreign currency loss | | 216,295 | 316,872 |
| Loss on disposal of property, plant and equipment | | 354 | 80 |
| Impairment loss on intangible assets | | 226 | |
| Expenses related to legal proceedings and others | | 29,851 | 24 |
| | (Won) | 246,726 | 317,261 |

14. Employee Benefits

The Group's primary defined benefit plan provides a lump-sum payment to an employee based on final salary rates and length of service at the time the employee leaves the Controlling Company. The Controlling Company's defined benefit plan, if legal requirements are satisfied, allows interim settlement upon the employee's election. Subsequent to the interim settlement, service terms used in severance payment calculations for the defined benefit plan are remeasured from the settlement date.

(a) Recognized liabilities for defined benefit obligations as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|-----------|-----------|
| Present value of partially funded defined benefit obligations | (Won) | 509,839 | 486,891 |
| Fair value of plan assets | | (338,988) | (340,253) |
| | (Won) | 170,851 | 146,638 |

(b) Expenses recognized in profit and loss for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--------------------------------|-------|---------|---------|
| Current service cost | (Won) | 32,692 | 26,809 |
| Interest cost | | 5,727 | 4,746 |
| Expected return on plan assets | | (3,548) | (3,088) |
| | (Won) | 34,871 | 28,467 |

(c) Plan assets as of March 31, 2012 and December 31, 2011 are as follows:

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(In millions of won)

| | | 2012 | 2011 |
|--------------------------------------|-------|---------|---------|
| Deposits with financial institutions | (Won) | 338,988 | 340,253 |

As of March 31, 2012, plan assets mainly consist of deposits in banks and others, which guarantee the payment of their principal and interest.

Table of Contents14. Employee Benefits, Continued

- (d) Actuarial gain and loss recognized in other comprehensive income (loss) for the three-month periods ended March 31, 2012 and 2011 is as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--|--------------|--------------|-------------|
| Defined benefit plan actuarial gain (loss) | (Won) | (242) | 605 |
| Income tax | | 13 | (133) |
| Defined benefit plan actuarial gain (loss), net of income tax | (Won) | (229) | 472 |

15. Finance income and costs

- (a) Finance income and costs recognized in profit and loss for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|---|-------|-------------|-------------|
| Finance income | | | |
| Interest income | (Won) | 8,128 | 16,888 |
| Foreign currency gain | | 68,451 | 107,869 |
| Gain on disposal of investments in equity accounted investees | | 985 | |
| Gain on valuation of financial assets at fair value through profit or loss | | | 36 |
| | (Won) | 77,564 | 124,793 |
| Finance costs | | | |
| Interest expense | (Won) | 46,405 | 30,272 |
| Foreign currency loss | | 53,553 | 35,843 |
| Loss on valuation of financial assets at fair value through profit or loss | | | 393 |
| Loss on valuation of financial liabilities at fair value through profit or loss | | 737 | 1,079 |
| Loss on sale of trade accounts and notes receivable | | 9,265 | 3,682 |
| Impairment loss on investments in equity accounted investees | | | 10,866 |
| | (Won) | 109,960 | 82,135 |

- (b) Finance income and costs recognized in other comprehensive income (loss) for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--|--|-------------|-------------|
| Loss on valuation of available-for-sale securities | | (2,070) | (1,515) |
| Tax effect | | 17 | 179 |

(Won) (2,053) (1,336)

Table of Contents16. CommitmentsFactoring and securitization of accounts receivable

The Controlling Company has agreements with Korea Development Bank and several other banks for accounts receivable sales negotiating facilities of up to an aggregate of USD1,568 million ((Won)1,784,617 million), JPY5,000 million ((Won)69,037 million) in connection with its export sales transactions. As of March 31, 2012, accounts and notes receivable amounting to USD800 million ((Won)910,248 million) were sold but are not past due. In connection with all of the contracts in this paragraph, the Company has sold its accounts receivable with recourse.

In June 2009 and January 2011, LG Display Singapore Pte. Ltd., the Controlling Company's subsidiary, entered into agreements with Standard Chartered Bank and Citibank for accounts receivable sales negotiating facilities of up to an aggregate of USD250 million ((Won)284,450 million) and USD100 million ((Won)113,780 million), respectively, and as of March 31, 2012, accounts and notes receivable amounting to USD102 million ((Won)115,977 million) and USD100 million ((Won)113,636 million) were sold, with none of the underlying accounts and notes receivable being past due, respectively. In June 2009, June 2011 and July 2011, LG Display Taiwan Co., Ltd. entered into agreements with Taishin International Bank, BNP Paribas and Chinatrust Commercial Bank for accounts receivable sales negotiating facilities of up to an aggregate of USD983 million ((Won)1,118,457 million), USD65 million ((Won)73,957 million) and USD78 million ((Won)88,748 million), respectively, and, as of March 31, 2012, accounts and notes receivable amounting to USD338 million ((Won)384,534 million) and USD15 million ((Won)17,563 million) were sold, with none of the underlying accounts and notes receivable being past due under the agreements with Taishin International Bank and Chinatrust Commercial Bank, respectively. In addition, in December 2010, LG Display Taiwan Co., Ltd. entered into agreements with Citibank and Standard Chartered Bank for accounts receivable sales negotiating facilities of up to an aggregate of USD112 million ((Won)127,434 million) and USD200 million ((Won)227,560 million), respectively, and, as of March 31, 2012, accounts and notes receivable amounting to USD47 million ((Won)53,533 million) and USD170 million ((Won)193,721 million) were sold, with none of the underlying accounts and notes receivable being past due. In December 2010, LG Display Shanghai Co., Ltd. entered into an agreement with BNP Paribas for accounts receivable sales negotiating facilities of up to an aggregate of USD130 million ((Won)147,914 million), and, as of March 31, 2012, accounts and notes receivable amounting to USD116 million ((Won)131,674 million) were sold, with none of the underlying accounts and notes receivable being past due. In July 2009, LG Display Shenzhen Co., Ltd. and LG Display Shanghai Co., Ltd. entered into agreements with Bank of China Limited, and, as of March 31, 2012, accounts and notes receivable amounting to USD75 million ((Won)85,598 million) were sold, with none of the underlying accounts and notes receivable being past due. In June 2010, LG Display Germany GmbH entered into an agreement with Citibank for accounts receivable sales negotiating facilities of up to an aggregate of USD307 million ((Won)349,305 million), and, as of March 31, 2012, accounts and notes receivable amounting to USD231 million ((Won)262,677 million) were sold, with none of the underlying accounts and notes receivable being past due. In addition, LG Display Germany GmbH started forfaiting and accounts and notes receivable amounting to USD49 million ((Won)55,357 million) were sold, with none of the underlying accounts and notes receivable being past due. In March 2011, LG Display America, Inc. entered into agreements with Australia and New Zealand Banking Group Limited and Standard Chartered Bank for accounts receivable sales negotiating facilities of up to an aggregate of USD80 million ((Won)91,024 million) and USD50 million ((Won)56,890 million), respectively, and, as of March 31, 2012, the amount of accounts and notes receivable amounting to USD80 million ((Won)91,016 million) and USD18 million ((Won)20,430 million) were sold but not past due, respectively. In addition, in June 2011, LG Display America, Inc. entered into an agreement with Citibank for accounts receivable sales negotiating facilities of up to an aggregate of USD300 million ((Won)341,340 million) and as of March 31, 2012, accounts and notes receivable amounting to USD300 million ((Won)340,939 million) were sold, with none of the underlying accounts and notes receivable being past due.

Table of Contents16. Commitments, Continued

In August 2011, LG Display Japan Co., Ltd. entered into an agreement with Sumitomo Mitsui Bank for accounts receivable sales negotiating facilities of up to an aggregate of USD90 million ((Won)102,402 million) and, as of March 31, 2012, the amount of accounts and notes receivable amounting to USD3 million ((Won)3,722 million) were sold, with none of the underlying accounts and notes receivable being past due. The Controlling Company has a credit facility agreement with Shinhan Bank pursuant to which the Controlling Company could sell its accounts and notes receivable up to an aggregate of (Won)50,000 million in connection with its domestic sales transactions and as of March 31, 2012, there is no outstanding balance of accounts and notes receivable held by the bank. In addition, in April 2011, the Controlling Company entered into an agreement with Standard Chartered Bank for accounts receivable sales negotiating facilities of up to USD50 million ((Won)56,890 million) and as of March 31, 2012, accounts and notes receivable amounting to USD26 million ((Won)29,831 million) were sold to Standard Chartered Bank, with none of the underlying accounts and notes receivable being past due. In connection with all of the contracts in this paragraph, the Group has sold its accounts receivable without recourse.

Letters of credit

As of March 31, 2012, the Controlling Company has agreements with Korea Exchange Bank in relation to the opening of letters of credit up to USD70 million ((Won)79,646 million), USD20 million ((Won)22,756 million) with China Construction Bank, JPY2,000 million ((Won)27,615 million) with Woori Bank, USD70 million ((Won)79,646 million) with Bank of China and USD60 million ((Won)68,268 million) with Sumitomo Mitsui Banking Corporation.

Payment guarantees

The Controlling Company obtained payment guarantees amounting to USD8.5 million ((Won)9,671 million) and EUR215 million ((Won)325,390 million) from Royal Bank of Scotland and other various banks for a number of occasions including value added tax payments in Poland. As of March 31, 2012, the Controlling Company is providing a payment guarantee to a syndicate of banks including Kookmin Bank and Societe Generale in connection with a EUR22 million ((Won)32,597 million) term loan credit facility of LG Display Poland Sp. zo.o. In addition, the Controlling Company provides a payment guarantee in connection with LG Display America Inc.'s term loan credit facilities with an aggregate amount of USD7 million ((Won)7,965 million) for principals and related interests. The Controlling Company provides payment guarantees on the accounts payable of L&T Display Technology (Xiamen) Limited up to the amount of USD5 million ((Won)5,374 million) and CNY 50 million ((Won) 9,079 million).

LG Display Japan Co., Ltd. and other subsidiaries have entered into short-term credit facility agreements of up to USD54 million ((Won)60,872 million), JPY8,000 million ((Won)110,459 million), and CNY115 million ((Won)20,690 million), respectively, with Mizuho Corporate Bank and other various banks. LG Display Japan Co., Ltd. and other subsidiaries are provided with payment guarantees from the Bank of Tokyo-Mitsubishi UFJ and other various banks amounting to USD12 million ((Won)13,654 million), JPY1,300 million ((Won) 17,950 million), CNY1,250 million ((Won)225,607 million) and PLN0.2 million ((Won)68 million) respectively, for their local tax payments.

License agreements

As of March 31, 2012, in relation to its TFT-LCD business, the Controlling Company has technical license agreements with Hitachi Display, Ltd. and others and has a trademark license agreement with LG Corp.

Table of Contents16. Commitments, ContinuedLong-term supply agreement

In connection with long-term supply agreements, as of March 31, 2012, the Controlling Company's advances received from customer amount to USD580 million ((Won)659,924 million) in aggregate. The advances received will be offset against outstanding accounts receivable balances after a given period of time, as well as those arising from the supply of products thereafter. The Controlling Company received a payment guarantee amounting to USD300 million ((Won)341,340 million) from Industrial Bank of Korea relating to advances received.

Pledged Assets

Regarding the line of credit up to USD50 million ((Won)56,890 million), the Controlling Company provided part of its OLED machinery as pledged assets to the Export-Import Bank of Korea.

17. ContingenciesPatent infringement lawsuit against Chi Mei Optoelectronics Corp., and others

In 2006, the Group filed a complaint in the United States District Court for the District of Delaware against Chimei Innolux Corp. (formerly, Chi Mei Optoelectronics Corp.) and AU Optronics Corp. claiming infringement of patents related to liquid crystal displays and the manufacturing processes for TFT-LCDs. Both AU Optronics Corp. and Chimei Innolux Corp. filed counter-claims against the Group claiming the Group's infringement of their patents. The Court bifurcated the Group's trial against AU Optronics Corp., from the trial against Chimei Innolux Corp., holding the first trial against AU Optronics Corp. on June 2, 2009. In September 2011, the Group and AU Optronics Corp. filed a stipulation for dismissal of the Delaware case and amicably settled the claims and counterclaims between the two parties. The stay of the Chi Mei Optoelectronics case was lifted on January 31, 2012, and the parties filed a joint status report with the court on March 23, 2012. The Group is unable to predict the ultimate outcome of the Chimei Innolux case.

Anvik Corporation's lawsuit for infringement of patent

In 2007, Anvik Corporation filed a patent infringement case against the Group, along with other LCD manufacturing companies in the United States District Court for the Southern District of New York, in connection with the usage of photo-masking equipment manufactured by Nikon Corporation. The court granted Nikon Corporation's motion for summary judgment of invalidity of the patents-in-suit and entered a judgment in favor of Nikon Corporation, the Controlling Company and LG Display America and other TFT-LCD manufacturing companies, dismissing the case on April 5, 2012. On April 6, 2012, Anvik Corporation appealed the court's decision to the United States Court of Appeals for the Federal Circuit. The Group is unable to predict the ultimate outcome of this case.

Industrial Technology Research Institute of Taiwan's lawsuit for infringement of patent

In 2012, the United States International Trade Commission, or USITC, granted a motion by Industrial Technology Research Institute of Taiwan, or ITRI, to add the Controlling Company and LG Display America as additional respondents in a Section 337 investigation pending before the USITC. ITRI is seeking an exclusion order prohibiting the importation of televisions and monitors incorporating the Group's products into the United States for alleged patent infringement. The Group is unable to predict the ultimate outcome of this case.

Table of Contents17. Contingencies, Continued*Antitrust investigations and litigations*

In December 2006, the Controlling Company received notices of investigation by the Korea Fair Trade Commission, the Japan Fair Trade Commission, the U.S. Department of Justice, and the European Commission with respect to possible anti-competitive activities in the TFT-LCD industry. The Controlling Company subsequently received similar notices from the Canadian Bureau of Competition Policy, the Federal Competition Commission of Mexico, the Secretariat of Economic Law of Brazil and the Taiwan Fair Trade Commission.

In November 2008, the Controlling Company executed an agreement with the U.S. Department of Justice (DOJ) whereby the Controlling Company and its U.S. subsidiary, LG Display America, Inc. (LGDUS), pleaded guilty to a Sherman Antitrust Act violation and agreed to pay a single total fine of USD400 million. In December 2008, the U.S. District Court for the Northern District of California accepted the terms of the plea agreement and entered a judgment against the Controlling Company and LGDUS and ordered the payment of USD400 million. The agreement resolved all federal criminal charges against the Controlling Company and LGDUS in the United States in connection with this matter.

On December 8, 2010, the European Commission (the EC) issued a decision finding that the Controlling Company engaged in anti-competitive activities in the LCD industry in violation of European competition laws and imposed a fine of EUR215 million. On February 23, 2011, the Controlling Company filed with the European Union General Court an application for partial annulment and reduction of the fine imposed by the EC. The European Union General Court has not ruled on the Controlling Company's application. In November 2011, the Controlling Company received an additional Request for Information from the EC relating to the alleged anti-competitive activities in the LCD industry and is responding to the request.

In November 2009, the Taiwan Fair Trade Commission terminated its investigation without any finding of violations or levying of fines. Also, in February 2012, the Competition Bureau of Canada terminated its investigation against the Controlling Company without any finding of violations or levying of fines. To date no decision has been issued by the Japan Fair Trade Commission, and we believe the statutory time period by which the Commission was required to have issued a decision has already lapsed. To date investigations by the Federal Competition Commission of Mexico and the Secretariat of Economic Law of Brazil are ongoing.

In August 2011, the Korea Fair Trade Commission issued an Examination Report finding that the Controlling Company engaged in anti-competitive activities in violation of Korean fair trade laws and a hearing was held in October 2011. In December 2011, the Korea Fair Trade Commission imposed a fine on the Controlling Company and certain of its subsidiaries of approximately W31,378 million, and the Controlling Company filed an appeal of the decision with the Seoul Appellate Court in December 2011. To date the Seoul High Court has not ruled on the Controlling Company's appeal.

Subsequent to the commencement of the DOJ investigation, a number of class action complaints were filed against the Controlling Company and other TFT-LCD panel manufacturers in the U.S. and Canada alleging violation of respective antitrust laws and related laws. The class action lawsuits in the U.S. were transferred to the Northern District of California for pretrial proceedings (MDL Proceedings). On March 28, 2010, the court certified the class action complaints filed by direct purchasers and indirect purchasers. 78 entities (including groups of affiliated entities) submitted requests for exclusion from the direct purchaser class. The time period for submitting requests for exclusion from the indirect purchaser class expired on April 13, 2012. 10 entities (including groups and affiliated entities) submitted requests for exclusion from the indirect purchaser class. In addition, since 2010, the attorneys general of Arkansas, California, Florida, Illinois, Michigan, Mississippi, Missouri, New York, Oklahoma, Oregon, South Carolina, Washington, West Virginia and Wisconsin filed complaints against the Controlling Company, alleging similar antitrust violations as alleged in the MDL Proceedings. In June 2011, the Controlling Company reached a settlement with the direct purchaser class, which the federal district court approved in December 2011.

Table of Contents17. Contingencies, Continued

Similar claims were filed separately by ATS. Claim, LLC, (assignee of Ricoh Electronics, Inc.), AT&T Corp. and its affiliates, Motorola, Inc., Electrograph Technologies Corp. and their respective related entities, all of which have been transferred to the MDL Proceedings. In November 2010, ATS Claim, LLC dismissed its action as to the Controlling Company pursuant to a settlement agreement. In addition, in 2010, Trac Fone Wireless Inc., Best Buy Co., Inc. and its affiliates, Target Corp., Sears, Roebuck and Co., Kmart Corp., Old Comp Inc., Good Guys, Inc., RadioShack Corp., Newegg Inc., Costco Wholesale Corp., Sony Electronics, Inc. and its affiliates, SB Liquidation Trust, and the trustee of the Circuit City Stores, Inc. Liquidation Trust, filed claims in the United States. In addition, in 2011, Office Depot, Inc., T-Mobile U.S.A., Inc., Interbond Corp. of America (Brandsmart), Jaco Electronics, Inc., P.C. Richard & Son Long Island Corp., MARTA Cooperative of America, Inc., ABC Appliance (ABC Warehouse), Schultze Agency Services, LLC (Tweeter), Tech Data Corp. and its affiliate, and AASI Creditor Liquidating Trust for All American Semiconductor Inc., and CompuCom Systems, Inc. filed similar claims. In 2012, ViewSonic Corp., NECO Alliance LLC and Rockwell Automation Inc. filed similar claims. To the extent these claims were not filed in the MDL Proceedings, they have been transferred or are expected to be transferred to the MDL Proceedings for pretrial proceedings.

In Canada, the Ontario Superior Court of Justice certified the class action complaints filed by the direct and indirect purchasers in May 2011. The Controlling Company is pursuing an appeal of the decision as well as defending the on-going class actions in Quebec and British Columbia.

While the Group continues its vigorous defense of the various pending proceedings described above, there is a possibility that one or more proceedings may result in an unfavorable outcome to the Group. The Group has established provisions with respect to certain of the contingencies. However, actual liability may be materially different from the provisions estimated by the Group. For certain cases described above, management is not able to estimate the potential estimated loss if the final outcome of the cases is unfavorable to the Group as the cases are in early stage and management does not have sufficient information to estimate the amount of possible loss.

18. Capital and Reserves

(a) Share capital

The Controlling Company is authorized to issue 500,000,000 shares of capital stock (par value (Won)5,000), and as of March 31, 2012 and December 31, 2011, the number of issued common shares is 357,815,700. There have been no changes in the capital stock for the three-month period ended March 31, 2012.

(b) Reserves

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

The fair value reserve comprises the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognized or impaired.

Table of Contents19. Related Parties

(a) Key management personnel compensation

Compensation costs of key management for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|------|------|
| Short-term benefits | (Won) | 540 | 540 |
| Expenses related to defined benefit plan | | 37 | 42 |
| Other long-term benefits | | | 155 |
| | (Won) | 577 | 737 |

Key management refers to the registered directors who have significant control and responsibilities over the Group's operations and business.

(b) Significant transactions with related companies

Significant transactions which occurred in the normal course of business with related companies for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | Sales and other | | Purchases and other | | |
|-----------------------|-----------------|-----------|---------------------|---------|---------|
| | 2012 | 2011 | 2012 | 2011 | |
| Joint ventures | 200,113 | 149,065 | 21,041 | 1,174 | |
| Associates | 208 | 5,280 | 320,342 | 388,864 | |
| LG Electronics | 1,384,608 | 1,203,070 | 53,509 | 64,324 | |
| Other related parties | 10 | 10 | 9,586 | 9,693 | |
| | (Won) | 1,584,939 | 1,357,425 | 404,478 | 464,055 |

Account balances with related companies as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | Trade accounts and | | Trade accounts and | | |
|-----------------------|--------------------|---------|--------------------|---------|-----------|
| | 2012 | 2011 | 2012 | 2011 | |
| Joint ventures | 116,803 | 130,217 | 252,684 | 340,073 | |
| Associates | 204 | 3 | 319,362 | 697,539 | |
| LG Electronics | 575,423 | 497,747 | 92,215 | 98,487 | |
| Other related parties | | | 3,631 | 3,632 | |
| | (Won) | 692,430 | 627,967 | 667,892 | 1,139,731 |

Table of Contents**20. Geographic and Other Information**

The Group manufactures and sells TFT-LCD and AM-OLED products. The segment of AM-OLED is not presented separately, as the sales of AM-OLED products are insignificant to total sales.

The Group's products are sold to domestic and overseas markets and the Group's export sales represent approximately 92 percent of the total sales for the three-month period ended March 31, 2012.

The following is a summary of sales by region based on the location of the customers for the three-month periods ended March 31, 2012 and 2011.

(a) Revenue by geography

(In millions of won)

| Region | | Revenue | |
|------------------------|-------|--|-----------|
| | | For the three-month periods ended March 31 | |
| | | 2012 | 2011 |
| Domestic | (Won) | 498,543 | 388,010 |
| Foreign | | | |
| China | | 3,408,188 | 3,000,178 |
| Asia (excluding China) | | 560,220 | 597,266 |
| United States | | 613,647 | 556,699 |
| Europe | | 1,103,078 | 823,363 |
| Sub total | (Won) | 5,685,133 | 4,977,506 |
| Total | (Won) | 6,183,676 | 5,365,516 |

Sales to Company A and Company B constituted 22% and 17% of total revenue, respectively, for the three-month period ended March 31, 2012(the three-month period ended March 31, 2011: 22% and 15%). , The Group's top ten end-brand customers together accounted for 69% of sales for the three-month period ended March 31, 2012(the three-month period ended March 31, 2011:75%).

(b) Non-current assets by geography

(In millions of won)

| Region | | March 31, 2012 | | December 31, 2011 | |
|-----------|-------|-------------------------------|-------------------|-------------------------------|-------------------|
| | | Property, plant and equipment | Intangible assets | Property, plant and equipment | Intangible assets |
| Domestic | (Won) | 13,279,259 | 521,719 | 13,528,286 | 520,023 |
| Foreign | | | | | |
| China | | 972,419 | 13,693 | 1,009,959 | 15,045 |
| Others | | 182,073 | 2,753 | 158,604 | 46 |
| Sub total | (Won) | 1,154,492 | 16,446 | 1,168,563 | 15,091 |
| Total | (Won) | 14,433,751 | 538,165 | 14,696,849 | 535,114 |

Table of Contents20. Geographic and Other Information, continued

(c) Revenue by product

(In millions of won)

| Product | | Revenue | |
|---------------------|-------|--|-----------|
| | | For the three-month periods ended March 31 | |
| | | 2012 | 2011 |
| Panels for: | | | |
| Notebook computers | (Won) | 1,176,160 | 997,501 |
| Desktop monitors | | 1,285,164 | 1,278,460 |
| TFT-LCD televisions | | 2,877,695 | 2,583,671 |
| Mobile and others | | 844,657 | 505,884 |
| | (Won) | 6,183,676 | 5,365,516 |

Table of Contents21. Income Taxes

(a) Details of Income tax expense (benefit) for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|-----------------------------|--------------|-----------------|-----------------|
| Current tax expense | (Won) | 26,819 | 9,305 |
| Deferred tax benefit | | (94,606) | (95,678) |
| Income tax benefit | (Won) | (67,787) | (86,373) |

(b) **Deferred Tax Assets and Liabilities**

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the deferred tax assets at the reporting date will be realized with the Group's estimated future taxable income.

Deferred tax assets and liabilities as of March 31, 2012 and December 31, 2011 are attributable to the following:

| <i>(In millions of won)</i> | | Assets | | Liabilities | | Total | |
|---|--------------|------------------|------------------|----------------|-----------------|------------------|------------------|
| | | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 |
| Other accounts receivable, net | (Won) | | | (2,408) | (3,738) | (2,408) | (3,738) |
| Inventories, net | | 17,478 | 15,915 | | | 17,478 | 15,915 |
| Available-for-sale financial assets | | 2,434 | 1,259 | | | 2,434 | 1,259 |
| Defined benefit obligation | | 14,565 | 21,877 | | | 14,565 | 21,877 |
| Investments in equity accounted investees | | 8,144 | 4,307 | | | 8,144 | 4,307 |
| Accrued expense | | 98,432 | 72,965 | | | 98,432 | 72,965 |
| Property, plant and equipment | | 130,850 | 133,720 | | | 130,850 | 133,720 |
| Intangible assets | | 1,597 | 1,105 | | | 1,597 | 1,105 |
| Provisions | | 11,188 | 11,618 | | | 11,188 | 11,618 |
| Gain or loss on foreign currency | | 6,452 | 13,616 | (981) | (31,313) | 5,471 | (17,697) |
| Debentures | | 6,212 | 6,059 | | | 6,212 | 6,059 |
| Others | | 17,276 | 18,974 | (126) | (715) | 17,150 | 18,259 |
| Tax losses | | 356,036 | 329,068 | | | 356,036 | 329,068 |
| Tax credit carryforwards | | 851,248 | 829,048 | | | 851,248 | 829,048 |
| Deferred income tax assets (liabilities) | (Won) | 1,521,912 | 1,459,531 | (3,515) | (35,766) | 1,518,397 | 1,423,765 |

Statutory tax rate applicable to the Controlling Company is 24.2% for the three-month period ended March 31, 2012.

Table of Contents22. Loss Per Share

- (a) Basic loss per share for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In won and No. of shares)</i> | | 2012 | 2011 |
|---|-------|-----------------|-----------------|
| Loss attributable to owners of the Controlling Company | (Won) | 128,463,547,327 | 115,189,230,246 |
| Weighted-average number of common shares outstanding | | 357,815,700 | 357,815,700 |
| Loss per share | (Won) | 359 | 322 |

There were no events or transactions that result in changes in the number of common shares used for calculating earnings per share.

- (b) There are no effects of dilutive potential ordinary shares due to net loss for the three-month periods ended March 31, 2012 and 2011.

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LG DISPLAY CO., LTD.

Condensed Interim Separate Financial Statements

(Unaudited)

March 31, 2012 and 2011

(With Independent Auditors' Review Report Thereon)

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Independent Auditors' Review Report

Based on a report originally issued in Korean

To the Board of Directors and Shareholders

LG Display Co., Ltd.:

Introduction

We have reviewed the accompanying condensed statement of financial position of LG Display Co., Ltd. (the Company) as of March 31, 2012, and the related condensed statements of comprehensive loss, changes in equity and cash flows for the three-month periods ended March 31, 2012 and 2011 and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Condensed Interim Financial Statements

Management is responsible for the preparation and fair presentation of these condensed separate interim financial statements in accordance with Korean International Financial Reporting Standards No. 1034, *Interim Financial Reporting*, and for such internal controls as management determines necessary to enable the preparation of condensed separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our reviews.

We conducted our reviews in accordance with the Review Standards for Quarterly/Semiannual Financial Statements of the Republic of Korea. A review consists principally of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the Republic of Korea and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our reviews, nothing has come to our attention that causes us to believe that the condensed separate interim financial statements referred to above are not presented fairly, in all material respects, in accordance with Korean International Financial Reporting Standards No. 1034, *Interim Financial Reporting*.

Emphasis of Matter

As discussed in note 17 to the condensed financial statements, LG Display Co., Ltd. was or has been under investigations by antitrust authorities in certain countries with respect to possible anti-competitive activities in the LCD industry and named as defendants in a number of federal class actions in the United States and Canada and related individual lawsuits in connection with the alleged antitrust violations concerning the sale of LCD panels. The Company estimated and recognized losses related to these legal proceedings. However, actual losses are subject to change in the future based on new developments in each matter, or changes in circumstances, which could be materially different from those estimated and recognized by the Company.

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Other Considerations

We audited the separate statement of financial position as of December 31, 2011, and the separate statements of comprehensive loss, changes in equity and cash flows for the year ended December 31, 2011, not accompanying this review report, in accordance with auditing standards generally accepted in the Republic of Korea, and our report thereon, dated February 22, 2012, expressed an unqualified opinion. The accompanying condensed separate statement of financial position of the Company as of December 31, 2011, presented for comparative purposes, is not different from that audited by us in all material respects.

/s/ KPMG Samjong Accounting Corp.

Seoul, Korea

April 25, 2012

This report is effective as of April 25, 2012, the review report date. Certain subsequent events or circumstances, which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

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LG DISPLAY CO., LTD.

Condensed Separate Statements of Financial Position

(Unaudited)

As of March 31, 2012 and December 31, 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|--|-------------|-------------------|-------------------|
| Assets | | | |
| Cash and cash equivalents | 9 (Won) | 931,550 | 604,890 |
| Deposits in banks | 9 | 415,000 | 815,000 |
| Trade accounts and notes receivable, net | 9, 16, 19 | 3,495,141 | 3,789,332 |
| Other accounts receivable, net | 9, 19 | 99,474 | 102,097 |
| Other current financial assets | 9 | 3,032 | 2,976 |
| Inventories | 5 | 1,795,515 | 1,912,710 |
| Other current assets | | 214,827 | 99,759 |
| Total current assets | | 6,954,539 | 7,326,764 |
| Investments | 6 | 1,382,626 | 1,386,313 |
| Other non-current financial assets | 9 | 74,236 | 75,080 |
| Deferred tax assets | 20 | 1,415,993 | 1,329,905 |
| Property, plant and equipment, net | 7 | 13,273,635 | 13,522,553 |
| Intangible assets, net | 8 | 480,126 | 479,510 |
| Other non-current assets | | 160,286 | 153,839 |
| Total non-current assets | | 16,786,902 | 16,947,200 |
| Total assets | (Won) | 23,741,441 | 24,273,964 |
| Liabilities | | | |
| Trade accounts and notes payable | 9, 19 (Won) | 3,785,372 | 3,752,724 |
| Current financial liabilities | 9, 10 | 1,728,533 | 808,576 |
| Other accounts payable | 9, 19 | 3,151,175 | 3,690,913 |
| Accrued expenses | | 352,334 | 342,973 |
| Provisions | | 303,669 | 278,179 |
| Advances received | | 15,799 | 593,436 |
| Other current liabilities | | 28,088 | 18,532 |
| Total current liabilities | | 9,364,970 | 9,485,333 |
| Non-current financial liabilities | 9, 10 | 3,466,923 | 3,714,001 |
| Non-current provisions | | 5,213 | 5,419 |
| Employee benefits | 14 | 170,370 | 146,266 |
| Long-term advances received | 16 | 659,924 | 668,914 |
| Other non-current liabilities | | 562,294 | 567,114 |
| Total non-current liabilities | | 4,864,724 | 5,101,714 |
| Total liabilities | | 14,229,694 | 14,587,047 |
| Equity | | | |
| Share capital | 18 | 1,789,079 | 1,789,079 |

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| | | | |
|-------------------------------------|-------|-------------------|-------------------|
| Share premium | | 2,251,113 | 2,251,113 |
| Reserves | 18 | (3,996) | (3,944) |
| Retained earnings | | 5,475,551 | 5,650,669 |
| Total equity | | 9,511,747 | 9,686,917 |
| Total liabilities and equity | (Won) | 23,741,441 | 24,273,964 |

See accompanying notes to the condensed separate interim financial statements.

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LG DISPLAY CO., LTD.

Condensed Interim Statements of Comprehensive Loss

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won, except earnings per share)</i> | Note | 2012 | 2011 |
|---|-------------|-----------------|-------------|
| Revenue | 19 | (Won) 5,955,719 | 5,051,751 |
| Cost of sales | 11, 19 | (5,777,462) | (5,000,746) |
| Gross profit | | 178,257 | 51,005 |
| Other income | 13 | 221,727 | 249,915 |
| Selling expenses | 11, 12 | (132,124) | (88,201) |
| Administrative expenses | 11, 12 | (107,008) | (84,730) |
| Research and development expenses | 11 | (202,244) | (195,890) |
| Other expenses | 13 | (184,878) | (233,803) |
| Results from operating activities | | (226,270) | (301,704) |
| Finance income | 15 | 43,145 | 116,783 |
| Finance costs | 15 | (74,059) | (62,712) |
| Other non-operating loss, net | | (3,389) | (3,036) |
| Loss before income taxes | | (260,573) | (250,669) |
| Income tax benefit | 20 | 85,495 | 96,319 |
| Loss for the period | | (175,078) | (154,350) |
| Other comprehensive income (loss) | | | |
| Net change in fair value of available-for-sale financial assets | 15 | (68) | (1,100) |
| Defined benefit plan actuarial gain or loss | 14 | (53) | 605 |
| Income taxes on other comprehensive (income) loss | | 29 | 109 |
| Other comprehensive loss for the period, net of income taxes | | (92) | (386) |
| Total comprehensive loss for the period | | (Won) (175,170) | (154,736) |
| Loss per share | | | |
| Basic loss per share | 21 | (Won) (489) | (431) |
| Diluted loss per share | 21 | (Won) (489) | (431) |

See accompanying notes to the condensed separate interim financial statements.

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LG DISPLAY CO., LTD.

Condensed Separate Interim Statements of Changes in Equity

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | | Share capital | Share premium | Fair value reserve | Retained earnings | Total equity |
|---|-------|------------------|------------------|-----------------------|----------------------|-----------------|
| Balances at January 1, 2011 | (Won) | 1,789,079 | 2,251,113 | (7,795) | 6,838,278 | 10,870,675 |
| Total comprehensive loss for the period | | | | | | |
| Loss for the period | | | | | (154,350) | (154,350) |
| Other comprehensive income (loss) | | | | | | |
| Net change in fair value of available-for-sale financial assets, net of tax | | | | (858) | | (858) |
| Defined benefit plan actuarial gain, net of tax | | | | | 472 | 472 |
| Total other comprehensive income (loss) | | | | (858) | 472 | (386) |
| Total comprehensive loss for the period | | | | (858) | (153,878) | (154,736) |
| Transaction with owners, recorded directly in equity | | | | | | |
| Dividends to equity holders | | | | | (178,908) | (178,908) |
| Balances at March 31, 2011 | (Won) | 1,789,079 | 2,251,113 | (8,653) | 6,505,492 | 10,537,031 |
| Balances at January 1, 2012 | (Won) | 1,789,079 | 2,251,113 | (3,944) | 5,650,669 | 9,686,917 |
| Total comprehensive loss for the period | | | | | | |
| Loss for the period | | | | | (175,078) | (175,078) |
| Other comprehensive income (loss) | | | | | | |
| Net change in fair value of available-for-sale financial assets, net of tax | | | | (52) | | (52) |
| Defined benefit plan actuarial loss, net of tax | | | | | (40) | (40) |
| Total other comprehensive loss | | | | (52) | (40) | (92) |
| Total comprehensive loss for the period | | | | (52) | (175,118) | (175,170) |
| Balances at March 31, 2012 | (Won) | 1,789,079 | 2,251,113 | (3,996) | 5,475,551 | 9,511,747 |

See accompanying notes to the condensed separate interim financial statements.

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LG DISPLAY CO., LTD.

Condensed Separate Interim Statements of Cash Flows

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|---|-------|-----------|-----------|
| Cash flows from operating activities: | | | |
| Loss for the period | (Won) | 175,078 | 154,350 |
| Adjustments for: | | | |
| Income tax benefit | 20 | (85,495) | (96,319) |
| Depreciation | | 865,951 | 699,300 |
| Amortization of intangible assets | | 61,282 | 49,706 |
| Gain on foreign currency translation | | (63,881) | (93,553) |
| Loss on foreign currency translation | | 40,824 | 66,850 |
| Gain on disposal of property, plant and equipment | | (65) | (158) |
| Loss on disposal of property, plant and equipment | | 1 | |
| Finance income | | (42,083) | (110,946) |
| Finance costs | | 53,089 | 45,317 |
| Other income | | (15,370) | (11,610) |
| Other expenses | | 83,782 | 39,934 |
| | | 722,957 | 434,171 |
| Change in trade accounts and notes receivable | | (258,160) | 507,936 |
| Change in other accounts receivable | | (4,558) | (9,468) |
| Change in other current assets | | (108,430) | (113,200) |
| Change in inventories | | 117,195 | (363,362) |
| Change in other non-current assets | | (17,404) | (21,559) |
| Change in trade accounts and notes payable | | 12,542 | (10,908) |
| Change in other accounts payable | | 15,941 | 66,182 |
| Change in accrued expenses | | 40,728 | (80,579) |
| Change in other current liabilities | | 7,406 | 17,057 |
| Change in long-term advances received | | | 281,975 |
| Change in provisions | | (52,100) | (35,314) |
| Change in defined benefit obligation | 14 | (10,506) | (3,107) |
| Cash generated from operating activities | | 465,611 | 669,824 |
| Income taxes paid | | (1,796) | (39,924) |
| Interest received | | 8,927 | 21,575 |
| Interest paid | | (49,273) | (29,140) |
| Net cash from operating activities | (Won) | 423,469 | 622,335 |

See accompanying notes to the condensed separate interim financial statements.

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LG DISPLAY CO., LTD.

Condensed Separate Interim Statements of Cash Flows, Continued

(Unaudited)

For the three-month periods ended March 31, 2012 and 2011

| <i>(In millions of won)</i> | Note | 2012 | 2011 |
|--|-------------|------------------|------------------|
| Cash flows from investing activities: | | | |
| Dividends received | (Won) | | 242 |
| Proceeds from withdrawal of deposits in banks | | 400,000 | 1,100,000 |
| Increase in deposits in banks | | | (800,000) |
| Acquisition of investments | | (3,800) | (19,688) |
| Proceeds from disposal of investments | | | 1,356 |
| Acquisition of property, plant and equipment | | (1,134,117) | (949,309) |
| Proceeds from disposal of property, plant and equipment | | 65 | 159 |
| Acquisition of intangible assets | | (78,241) | (58,707) |
| Grants received | | 2,170 | 940 |
| Proceeds from (payment upon) settlement of derivatives | | (1,619) | 9,843 |
| Acquisition of other non-current financial assets | | (481) | (25,179) |
| Proceeds from disposal of other non-current financial assets | | 6,847 | 121,649 |
| Net cash used in investing activities | | (809,176) | (618,694) |
| Cash flows from financing activities: | | | |
| Proceeds from short-term borrowings | | 2,648,686 | 50,649 |
| Repayment of short-term borrowings | | (1,738,438) | (252,728) |
| Issuance of debentures | | | 298,726 |
| Repayment of current portion of long-term debt | | (197,881) | (6,644) |
| Net cash provided by financing activities | | 712,367 | 90,003 |
| Net increase in cash and cash equivalents | | 326,660 | 93,644 |
| Cash and cash equivalents at January 1 | | 604,890 | 889,784 |
| Cash and cash equivalents at March 31 | (Won) | 931,550 | 983,428 |

See accompanying notes to the condensed separate interim financial statements.

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1. **Organization and Description of Business**

LG Display Co., Ltd. (the Company) was incorporated in February 1985 under its original name of LG Soft, Ltd. as a wholly owned subsidiary of LG Electronics Inc. In 1998, LG Electronics Inc. and LG Semicon Co., Ltd. transferred their respective Thin Film Transistor-Liquid Crystal Display (TFT-LCD) related business to the Company. The main business of the Company is to manufacture and sell TFT-LCD panels. The Company is a stock company (Jusikhoesa) domiciled in the Republic of Korea with its address at 128 Yeouidae-ro, Yeongdeungpo-gu, Seoul, the Republic of Korea. In July 1999, LG Electronics Inc. and Koninklijke Philips Electronics N.V. (Philips) entered into a joint venture agreement. Pursuant to the agreement, the Company changed its name to LG.Philips LCD Co., Ltd. However, on February 29, 2008, the Company changed its name to LG Display Co., Ltd. based upon the approval of shareholders at the general shareholders meeting on the same date as a result of the decrease in Philips's share interest in the Company and the possibility of its business expansion to Organic Light Emitting Diode (OLED) and Flexible Display products. As of March 31, 2012, LG Electronics Inc. owns 37.9% (135,625,000 shares) of the Company's common shares.

As of March 31, 2012, the Company has its TFT-LCD manufacturing plants, OLED manufacturing plant and LCD Research & Development Center in Paju and TFT-LCD manufacturing plants and OLED manufacturing plant in Gumi. The Company has overseas subsidiaries located in the United States of America, Europe and Asia.

The Company's common stock is listed on the Korea Exchange under the identifying code 034220. As of March 31, 2012, there are 357,815,700 shares of common stock outstanding. The Company's common stock is also listed on the New York Stock Exchange in the form of American Depository Shares (ADSs) under the symbol LPL. One ADS represents one-half of one share of common stock. As of March 31, 2012, there are 21,085,294 ADSs outstanding.

2. **Basis of Presenting Financial Statements**

(a) **Statement of Compliance**

The condensed separate interim financial statements have been prepared in accordance with Korean International Financial Reporting Standards (K-IFRSs) No. 1034, *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company as of and for the year ended December 31, 2011.

These condensed interim financial statements are separate interim financial statements prepared in accordance with K-IFRS No.1027 *Consolidated and Separate Financial Statements* presented by a parent, an investor in an associate or a venturer in a jointly controlled entity, in which the investments are accounted for on the basis of the direct equity interest rather than on the basis of the reported results and net assets of the investees.

The condensed separate interim financial statements were authorized for issuance by the Board of Directors on April 24, 2012.

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2. Basis of Presenting Financial Statements, Continued

(b) Basis of Measurement

The condensed separate interim financial statements have been prepared on the historical cost basis except for the following material items in the statement of financial position:

derivative financial instruments measured at fair value;

financial instruments at fair value through profit or loss measured at fair value;

available-for-sale financial assets measured at fair value; and

liabilities for defined benefit plans recognized at the net total of the present value of defined benefit obligation less the fair value of plan assets

(c) Functional and Presentation Currency

The condensed separate interim financial statements are presented in Korean won, which is the Company's functional currency. All amounts in Korean won are in millions unless otherwise stated.

(d) Use of Estimates and Judgments

The preparation of the condensed separate interim financial statements in conformity with K-IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed separate interim financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied in its financial statements as of and for the year ended December 31, 2011.

3. Summary of Significant Accounting Policies

The significant accounting policies followed by the Company in the preparation of its condensed separate interim financial statements are the same as those followed by the Company in its preparation of the financial statements as of and for the year ended December 31, 2011, except for the application of K-IFRS No. 1034, *Interim Financial Reporting*, and the amendments to K-IFRS No. 7, *Financial Instruments: Disclosures*, as explained below:

The Company has applied the amendments to K-IFRS No. 1107, *Financial Instruments: Disclosures* effective January 1, 2012, by prospectively disclosing the nature of transferred assets, their carrying amount, and the description of risks and rewards for each class of transferred financial assets that are not derecognized in their entirety.

4. Financial Risk Management

The objectives and policies on financial risk management followed by the Company are consistent with those disclosed in the financial statements as of and for the year ended December 31, 2011.

Table of Contents5. Inventories

Inventories as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | | | 2011 | | |
|-----------------|-------|---------------------|----------------------|---------------|---------------------|----------------------|---------------|
| | | Acquisition cost | Inventory reserve | Book value | Acquisition cost | Inventory reserve | Book value |
| Finished goods | (Won) | 615,144 | (25,044) | 590,100 | 612,158 | (19,911) | 592,247 |
| Work-in-process | | 755,419 | (40,002) | 715,417 | 810,864 | (43,808) | 767,056 |
| Raw materials | | 375,207 | (13,649) | 361,558 | 431,042 | (16,033) | 415,009 |
| Supplies | | 164,576 | (36,136) | 128,440 | 173,442 | (35,044) | 138,398 |
| | (Won) | 1,910,346 | (114,831) | 1,795,515 | 2,027,506 | (114,796) | 1,912,710 |

6. Investments

(a) Investments in subsidiaries

In February 2012, the Company invested (Won)3,000 million in cash for the capital increase of Image & Materials, Inc., which is wholly owned by the Company. There were no changes in the Company's ownership percentage in Image & Materials, Inc. as a result of this additional investment.

In March 2012, the Company established Nanumnuri Co., Ltd., a wholly owned subsidiary of the Controlling Company founded as a Standard Workplace for the Disabled under Act on Employment Promotion and Vocational Rehabilitation for Disabled Persons, with investment of W800 million in cash.

In 2012, the entire carrying amount of the investment in L&T Display Technology (Xiamen) Limited amounting to (Won)7,146 million was fully impaired as the recovery of the investment is deemed no longer probable.

(b) Investments in associates

In 2012, the Company recognized an impairment loss of (Won)341 million for the difference between the carrying amount of and the recoverable amount of the investment in Dynamic Solar Design Co., Ltd., which was acquired to develop equipment, manufacture and sell solar battery and flat-panel display in 2009.

In 2012, the Company's ownership in Can Yang Investments Limited was reduced from 12% to 9% because the Company did not participate in Can Yang Investments Limited's capital increase. Despite the decrease in ownership, the Company is still able to exercise significant influence through its right to assign a director to the board of directors of Can Yang Investments Limited.

The declared dividends from associates for the three-month periods ended March 31, 2012 and 2011 amounted to (Won)204 million and (Won)5,280 million, respectively.

Table of Contents**7. Property, Plant and Equipment**

For the three-month periods ended March 31, 2012 and 2011, the Company purchased property, plant and equipment of (Won)619,203 million and (Won)1,419,716 million, respectively. The capitalized borrowing costs and capitalization rate are (Won)7,789 million and 3.11%, and (Won)4,668 million and 2.03% for the three-month periods ended March 31, 2012 and 2011, respectively.

8. Intangible Assets

The Company capitalizes the expenditures expenses related to development activities, such as expenditures incurred on designing, manufacturing and testing of products that are ultimately selected for production. The balances of capitalized development costs as of March 31, 2012 and December 31, 2011 are (Won)126,338 million and (Won)113,002 million, respectively.

9. Financial Instruments**(a) Credit risk****(i) Exposure to credit risk**

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won)

| | 2012 | 2011 |
|--|-----------------|-------------|
| Cash and cash equivalents | (Won) 931,550 | 604,890 |
| Trade accounts and notes receivable, net | 3,495,141 | 3,789,332 |
| Other accounts receivable, net | 99,474 | 102,097 |
| Available-for-sale financial assets | 2,838 | 2,838 |
| Guarantee deposits | 64,836 | 65,613 |
| Derivatives not designated for hedging | 57 | |
| Deposits in banks | 415,000 | 815,000 |
| Guarantee deposits with banks | 613 | 613 |
| | (Won) 5,009,509 | 5,380,383 |

In addition to the financial assets above, as of March 31, 2012 and December 31, 2011, the Company provides payment guarantees of (Won)55,015 million and (Won)50,606 million, respectively, for its subsidiaries' loans.

Table of Contents9. Financial Instruments, Continued

The maximum exposure to credit risk for trade accounts and notes receivable as of March 31, 2012 and December 31, 2011 by geographic region is as follows:

(In millions of won)

| | | 2012 | 2011 |
|---------------------|-------|-----------|-----------|
| Domestic | (Won) | 129,586 | 56,200 |
| Euro-zone countries | | 652,266 | 612,236 |
| Japan | | 148,563 | 138,265 |
| United States | | 1,138,874 | 828,959 |
| China | | 907,970 | 1,195,899 |
| Taiwan | | 330,354 | 829,171 |
| Others | | 187,528 | 128,602 |
| | (Won) | 3,495,141 | 3,789,332 |

(ii) Impairment loss

The aging of trade accounts and notes receivable and the related allowance for impairment losses as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | | 2011 | |
|---------------------|-------|------------|---------------------------------|------------|---------------------------------|
| | | Book Value | Allowance for Impairment losses | Book Value | Allowance for Impairment losses |
| Not past due | (Won) | 3,457,091 | (59) | 3,777,383 | (49) |
| Past due 1-15 days | | 10,417 | (2) | 953 | (1) |
| Past due 16-30 days | | 12,611 | (2) | 4,885 | (1) |
| Past due 31-60 days | | 3,962 | (2) | 5,762 | (1) |
| More than 60 days | | 11,126 | (1) | 403 | (2) |
| | (Won) | 3,495,207 | (66) | 3,789,386 | (54) |

The movement in the allowance for impairment in respect of receivables during the three-month periods ended March 31, 2012 and the year ended December 31, 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|------|------|
| Balance at the beginning of the period | (Won) | 54 | 24 |
| Bad debt expenses | | 12 | 30 |
| Balance at the reporting date | (Won) | 66 | 54 |

Table of Contents9. Financial Instruments, Continued

(b) Liquidity risk

- (i) The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements as of March 31, 2012:

(In millions of won)

| | Carrying amount | Contractual cash flows | 6 months or less | 6-12 months | 1-2 years | 2-5 years | More than 5 years | |
|---|-----------------|------------------------|------------------|-------------|-----------|-----------|-------------------|-------|
| Non-derivative financial liabilities | | | | | | | | |
| Secured bank loan (Won) | 56,890 | 59,914 | 672 | 672 | 29,789 | 28,781 | | |
| Unsecured bank Loans | 2,274,030 | 2,389,337 | 994,275 | 51,066 | 418,607 | 922,628 | 2,761 | |
| Unsecured bond issues | 2,777,434 | 3,095,590 | 196,545 | 552,629 | 478,553 | 1,867,863 | | |
| Financial liabilities at fair value | | | | | | | | |
| through profit or loss | 86,903 | 87,688 | 87,688 | | | | | |
| Trade accounts and notes payable | 3,785,372 | 3,785,372 | 3,785,372 | | | | | |
| Other accounts payable | 3,151,175 | 3,151,175 | 3,151,175 | | | | | |
| Payment guarantee | | 55,260 | 38,888 | 16,372 | | | | |
| Derivative financial liabilities | | | | | | | | |
| Forward exchange contracts not designated for hedging | | | | | | | | |
| Outflow | 199 | 159,317 | 159,317 | | | | | |
| Inflow | | (159,118) | (159,118) | | | | | |
| | (Won) | 12,132,003 | 12,624,535 | 8,254,814 | 620,739 | 926,949 | 2,819,272 | 2,761 |

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

- (ii) As of March 31, 2012, there is no derivative designated as cash flow hedge.

Table of Contents9. Financial Instruments, Continued

(c) Currency risk

(i) Exposure to currency risk

The Company's exposure to foreign currency risk based on notional amounts as of March 31, 2012 and December 31, 2011 is as follows:

(In millions)

| | USD | JPY | 2012 TWD | PLN | EUR |
|--|---------|----------|-------------|-----|-----|
| Cash and cash equivalents | 554 | 15,863 | | 2 | 1 |
| Trade accounts and notes receivable | 2,917 | 6,202 | | | 32 |
| Other accounts receivable | 1 | 2 | 12 | | |
| Available-for-sale financial assets | 5 | | | | |
| Other assets denominated in foreign currencies | | 51 | | | |
| Trade accounts and notes payable | (2,158) | (30,730) | | | (1) |
| Other accounts payable | (108) | (14,176) | | | (5) |
| Debts | (1,675) | (4,000) | | | |
| Bonds | (348) | (9,992) | | | |
| Financial liabilities at fair value through profit or loss | (76) | | | | |
| Gross statement of financial position exposure | (888) | (36,780) | 12 | 2 | 27 |
| Forward exchange contracts | (160) | | | | |
| Net exposure | (1,048) | (36,780) | 12 | 2 | 27 |

Table of Contents9. Financial Instruments, Continued*(In millions)*

| | USD | JPY | 2011 TWD | PLN | EUR |
|--|---------|----------|-------------|-----|-----|
| Cash and cash equivalents | 284 | 14,269 | | 5 | 14 |
| Trade accounts and notes receivable | 3,080 | 6,493 | | | 31 |
| Other accounts receivable | 2 | | 159 | | |
| Available-for-sale financial assets | 5 | | | | |
| Other assets denominated in foreign currencies | | 51 | | | |
| Trade accounts and notes payable | (2,263) | (33,375) | | | (5) |
| Other accounts payable | (55) | (25,815) | | | (7) |
| Debts | (1,020) | (6,000) | | | |
| Bonds | (347) | (9,987) | | | |
| Financial liabilities at fair value through profit or loss | (76) | | | | |
| Gross statement of financial position exposure | (390) | (54,364) | 159 | 5 | 33 |
| Forward exchange contracts | (160) | | | | |
| Net exposure | (550) | (54,364) | 159 | 5 | 33 |

Average exchange rates applied for the three-month periods ended March 31, 2012 and 2011 and the exchange rates at March 31, 2012 and December 31, 2011 are as follows:

| <i>(In won)</i> | Average rate | | Spot rate | |
|-----------------|--------------|----------|-------------------|----------------------|
| | 2012 | 2011 | March 31, 2012 | December 31, 2011 |
| USD (Won) | 1,131.43 | 1,121.04 | (Won) 1,137.80 | 1,153.30 |
| JPY | 14.29 | 13.63 | 13.81 | 14.85 |
| TWD | 38.09 | 38.31 | 38.50 | 38.13 |
| EUR | 1,483.90 | 1,532.38 | 1,513.44 | 1,494.10 |
| PLN | 350.94 | 388.16 | 364.06 | 338.65 |

Table of Contents9. Financial Instruments, Continued

(ii) Sensitivity analysis

A weakening of the won, as indicated below, against the following currencies which comprise the Company's financial assets or liabilities denominated in foreign currency as of March 31, 2012 and December 31, 2011 would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of each reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The changes in equity and profit or loss are as follows:

| <i>(In millions of won)</i> | | 2012 | | 2011 | |
|-----------------------------|-------|----------|----------------|----------|----------------|
| | | Equity | Profit or loss | Equity | Profit or loss |
| USD (5 percent weakening) | (Won) | (45,193) | (45,429) | (24,041) | (24,280) |
| JPY (5 percent weakening) | | (19,248) | (19,248) | (30,601) | (30,601) |
| TWD (5 percent weakening) | | 18 | 18 | 230 | 230 |
| PLN (5 percent weakening) | | 28 | 28 | 64 | 64 |
| EUR (5 percent weakening) | | 1,549 | 1,549 | 1,869 | 1,869 |

A strengthening of the won against the above currencies as of March 31, 2012 and December 31, 2011 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

(d) Interest rate risk

(i) Profile

The interest rate profile of the Company's interest-bearing financial instruments as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|----------------------------------|-------|-------------------------------|-------------|
| | | Fixed rate instruments | |
| Financial assets | (Won) | 1,349,388 | 1,422,728 |
| Financial liabilities | | (2,685,318) | (2,685,174) |
| | (Won) | (1,335,930) | (1,262,446) |
| Variable rate instruments | | | |
| Financial assets | (Won) | 600 | 600 |
| Financial liabilities | | (2,509,939) | (1,830,434) |
| | (Won) | (2,509,339) | (1,829,834) |

Table of Contents9. Financial Instruments, Continued

(ii) Fair value sensitivity analysis for fixed rate instruments

The Company has recognized certain fixed rate convertible bonds as financial liabilities at fair value through profit or loss. As of March 31, 2012, an increase in the interest rate by 100 basis points would have decreased the Company's profit or loss by (Won)29 million and a decrease in the interest rate by 100 basis points would have increased the Company's profit or loss by (Won)29 million.

(iii) Cash flow sensitivity analysis for variable rate instruments

As of March 31, 2012 and December 31, 2011, a change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below for each 12-month period following the reporting dates. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

(In millions of won)

| | | Equity | | Profit or loss | |
|---------------------------|-------|-----------------|-----------------|-----------------|-----------------|
| | | 1%p increase | 1%p decrease | 1%p increase | 1%p decrease |
| March 31, 2012 | | | | | |
| Variable rate instruments | (Won) | (19,021) | 19,021 | (19,021) | 19,021 |
| December 31, 2011 | | | | | |
| Variable rate instruments | (Won) | (13,870) | 13,870 | (13,870) | 13,870 |

Table of Contents9. Financial Instruments, Continued

(e) Fair values

(i) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the condensed separate interim statements of financial position, are as follows:

| | | March 31, 2012 | | December 31, 2011 | |
|--|-------|------------------|-------------|-------------------|-------------|
| | | Carrying amounts | Fair values | Carrying amounts | Fair values |
| <i>(In millions of won)</i> | | | | | |
| Assets carried at fair value | | | | | |
| Available-for-sale financial assets | (Won) | 9,089 | 9,089 | 9,157 | 9,157 |
| Derivatives | | 57 | 57 | | |
| | (Won) | 9,146 | 9,146 | 9,157 | 9,157 |
| Assets carried at amortized cost | | | | | |
| Cash and cash equivalents | (Won) | 931,550 | 931,550 | 604,890 | 604,890 |
| Trade accounts and notes receivable | | 3,495,141 | 3,495,141 | 3,789,332 | 3,789,332 |
| Other accounts receivable | | 99,474 | 99,474 | 102,097 | 102,097 |
| Deposits in banks | | 415,000 | 415,000 | 815,000 | 815,000 |
| Deposits | | 64,836 | 64,836 | 65,613 | 65,613 |
| Others | | 613 | 613 | 613 | 613 |
| | (Won) | 5,006,614 | 5,006,614 | 5,377,545 | 5,377,545 |
| Liabilities carried at fair value | | | | | |
| Financial liabilities at fair value through profit or loss | (Won) | 86,903 | 86,903 | 87,339 | 87,339 |
| Derivatives | | 199 | 199 | 6,969 | 6,969 |
| | (Won) | 87,102 | 87,102 | 94,308 | 94,308 |
| Liabilities carried at amortized cost | | | | | |
| Secured bank loans | (Won) | 56,890 | 56,890 | 57,665 | 57,665 |
| Unsecured bank loans | | 2,274,030 | 2,287,066 | 1,578,628 | 1,525,251 |
| Unsecured bond issues | | 2,777,434 | 2,816,378 | 2,791,976 | 2,829,206 |
| Trade accounts and notes payable | | 3,785,372 | 3,785,372 | 3,752,724 | 3,752,724 |
| Other accounts payable | | 3,151,175 | 3,151,175 | 3,690,913 | 3,690,913 |
| | (Won) | 12,044,901 | 12,096,881 | 11,871,906 | 11,855,759 |

The basis for determining fair values above by the Company are consistent with those disclosed in the financial statements as of and for the year ended December 31, 2011.

Table of Contents9. Financial Instruments, Continued

(ii) Interest rates used for determining fair value

The significant interest rates applied for determination of the above fair value as of March 31, 2012 and December 31, 2011 are as follows:

| | 2012 | 2011 |
|----------------------------------|-------|-------|
| Derivatives | 3.76% | 3.90% |
| Debentures, loans and borrowings | 3.78% | 4.19% |

(iii) Fair value hierarchy

The table below analyzes financial instruments carried at fair value, by valuation method. The different levels have been defined as follows: "

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: inputs for the asset or liability that are not based on observable market data

(In millions of won)

| | | Level 1 | Level 2 | Level 3 | Total |
|--|-------|----------|---------|---------|----------|
| March 31, 2012 | | | | | |
| Available-for-sale financial assets | (Won) | 9,089 | | | 9,089 |
| Derivative financial assets | | | 57 | | 57 |
| | (Won) | 9,089 | 57 | | 9,146 |
| Financial liabilities at fair value through profit or loss | (Won) | (86,903) | | | (86,903) |
| Derivative not designated for hedging | | | (199) | | (199) |
| | (Won) | (86,903) | (199) | | (87,102) |

(In millions of won)

| | | Level 1 | Level 2 | Level 3 | Total |
|--|-------|----------|---------|---------|----------|
| December 31, 2011 | | | | | |
| Available-for-sale financial assets | (Won) | 9,157 | | | 9,157 |
| Financial liabilities at fair value through profit or loss | (Won) | (87,339) | | | (87,339) |
| Derivative not designated for hedging | | | (6,969) | | (6,969) |
| | (Won) | (87,339) | (6,969) | | (94,308) |

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The derivative financial assets and liabilities are classified as Level 2 since all significant inputs to compute the fair value of the over-the-counter derivatives were observable.

Table of Contents9. Financial Instruments, Continued

(f) Capital Management

Management's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Liabilities to equity ratio, net borrowings to equity ratio and other financial ratios are used by management to achieve an optimal capital structure. Management also monitors the level of dividends to ordinary shareholders. Equity, defined by K-IFRS, is identical to the definition of capital, managed by management.

(In millions of won)

| | | March 31, 2012 | December 31, 2011 |
|-----------------------------------|-------|----------------|-------------------|
| Total liabilities | (Won) | 14,229,694 | 14,587,047 |
| Total equity | | 9,511,747 | 9,686,917 |
| Cash and deposits in banks (*1) | | 1,346,550 | 1,419,890 |
| Borrowings | | 5,195,257 | 4,515,608 |
| Total Liabilities to equity ratio | | 150% | 151% |
| Net borrowing to equity ratio(*2) | | 40% | 32% |

(*1) Cash and deposits in banks consist of cash and cash equivalents and deposits in banks.

(*2) Net borrowings is computed as borrowings net of cash and deposits in banks.

(g) Transfers of financial assets

Details of transferred financial assets that are not derecognized are as follows:

(In millions of won)

| | | Trade accounts and notes receivable | |
|------------------------|-------|-------------------------------------|------------|
| | | Carrying amount | Fair value |
| Assets | (Won) | 910,248 | 910,248 |
| Associated liabilities | | (910,248) | (910,248) |

The transferred financial assets, which are outstanding accounts receivable from the Company's subsidiaries in relation to the Company's export sales to its subsidiaries, are not derecognized since the Company bears the obligation to pay the scheduled cash flows of the financial assets to financial institutions unless the financial institutions collect the cash flows from the financial assets due.

Table of Contents10. Financial Liabilities

(a) Financial liabilities as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--|-------|-------------|-------------|
| Current | | | |
| Short-term borrowings | (Won) | 910,248 | |
| Current portion of long-term debt | | 731,183 | 714,268 |
| Current portion of financial liabilities at fair value through profits or loss | | 86,903 | 87,339 |
| Derivatives not designated for hedging | | 199 | 6,969 |
| | (Won) | 1,728,533 | 808,576 |
| Non-current | | | |
| Won denominated borrowings | (Won) | 365,484 | 366,629 |
| Foreign currency denominated borrowings | | 961,441 | 1,003,371 |
| Bonds | | 2,139,998 | 2,344,001 |
| | (Won) | 3,466,923 | 3,714,001 |

Above financial liabilities, except for convertible bonds which are designated as financial liabilities at fair value through profit or loss and derivative liabilities, are measured at amortized cost.

(b) Short-term borrowings as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won and USD)

| Lender | Annual interest rate as of March 31, 2012(*1) | | 2012 | 2011 |
|-----------------------------|--|-------|-------------|-------------|
| Woori Bank and others (*2) | 1ML + 0.72% ~ 1.00% | (Won) | 910,248 | |
| Foreign currency equivalent | | | USD 800 | |
| | | (Won) | 910,248 | |

(*1) ML represents month LIBOR (London Inter-Bank Offered Rates).

(*2) The Company accounts for proceeds from sale of accounts receivables, which were arose from export sales to the Company's subsidiaries, to financial institutions as short term borrowings as the sale did not meet derecognition criteria. The Company recognized (Won)3,169 million as interest expense in relation to the above short-term borrowings during the three-month period ended March 31, 2012.

Table of Contents10. Financial Liabilities, Continued

(c) Local currency long-term debt as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won)

| Lender | Annual interest rate as of March 31, 2012 | 2012 | 2011 |
|---|--|-------------|-------------|
| Shinhan Bank and others | 3-year Korean Treasury Bond rate less 1.25%, 2.75% (Won) | 19,867 | 20,817 |
| National Agricultural Cooperative Federation and others | 5.05% ~ 5.21% | 350,000 | 350,000 |
| Less current portion of long-term debt | | (4,383) | (4,188) |
| | (Won) | 365,484 | 366,629 |

(d) Foreign currency denominated long-term debt as of March 31, 2012 and December 31, 2011 is as follows:

(In millions of won, USD and JPY)

| Lender | Annual interest rate as of March 31, 2012 | 2012 | 2011 |
|--|--|-------------|-------------|
| The Export-Import Bank of Korea | 6ML + 0.69% (Won) | 34,134 | 40,366 |
| Kookmin Bank and others | 6ML + 1.78%, 3ML + 0.66% ~ 2.79% | 1,016,671 | 1,225,110 |
| Foreign currency equivalent | | USD 875 | USD 1,020 |
| | | JPY 4,000 | JPY 6,000 |
| Less current portion of long-term debt | | (89,364) | (262,105) |
| | (Won) | 961,441 | 1,003,371 |

Table of Contents10. Financial Liabilities, Continue

(e) Details of the Company's debentures issued and outstanding as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won, JPY and USD)

| | Maturity | Annual interest rate as of March 31, 2012 | | 2012 | 2011 |
|---|------------------|--|-------|------------|-----------|
| Local currency debentures(*) | | | | | |
| Publicly issued debentures | November 2012 | 4.24% | | | |
| | ~ October 2016 | ~ 5.89% | (Won) | 2,250,000 | 2,250,000 |
| Less discount on debentures | | | | (6,141) | (6,721) |
| Less current portion | | | | (499,472) | (299,658) |
| | | | (Won) | 1,744,387 | 1,943,621 |
| Foreign currency Debentures(*) | | | | | |
| Floating-rate notes | August 2012 | | | | |
| | ~ April 2013 | 3ML + 1.80% ~ 2.40% | (Won) | 536,304 | 552,171 |
| Foreign currency equivalent | | | | USD 350 | USD350 |
| | | | | JPY 10,000 | JPY10,000 |
| Less discount on bonds | | | | (2,729) | (3,474) |
| Less current portion | | | | (137,964) | (148,317) |
| | | | (Won) | 395,611 | 400,380 |
| Financial liabilities at fair value through profit or loss | | | | | |
| Convertible bonds | | Zero coupon | (Won) | 86,903 | 87,339 |
| | April 2012 | | | | |
| Foreign currency equivalent | | | | USD 76 | USD76 |
| Less current portion convertible bonds convertible bonds | | | | (86,903) | (87,339) |
| | | | (Won) | | |
| | | | (Won) | 2,139,998 | 2,344,001 |

(*) Principal of the local currency debentures is to be repaid at maturity and interests are paid quarterly in arrears.

Table of Contents10. Financial Liabilities, Continue

(f) Details of the convertible bonds are as follows:

| | Terms and Conditions |
|-------------------------------------|-----------------------------------|
| Issue date | April 18, 2007 |
| Maturity date | April 18, 2012 |
| Conversion period | April 19, 2008 ~ April 3, 2012 |
| Coupon interest rate | 0% |
| Conversion price (in won) per share | (Won)47,892 |

The Company designated foreign currency denominated convertible bonds as financial liabilities at fair value through profits or loss. The Company measured the convertible bonds at their fair value using the market quotes available at Bloomberg and recognizes the convertible bonds at fair value with changes in fair value recognized in profit or loss.

The remaining balance of convertible bonds was repaid at 116.77% of the principal amount on April 18, 2012.

11. The Nature of Expenses

The nature of expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-------------|-------------|
| Changes in inventories | (Won) | 117,195 | (363,362) |
| Purchase of raw material and merchandise | | 3,020,962 | 3,108,150 |
| Depreciation and amortization | | 927,233 | 749,006 |
| Outsourcing fee | | 908,119 | 682,337 |
| Labor costs | | 512,430 | 472,241 |
| Supplies and others | | 178,958 | 250,609 |
| Utility expense | | 149,338 | 122,472 |
| Fees and commissions | | 85,207 | 88,569 |
| Shipping costs | | 81,667 | 38,221 |
| After-sale service expenses | | 19,415 | 9,535 |
| Others | | 248,165 | 211,868 |
| | (Won) | 6,248,689 | 5,369,646 |

Total expenses consist of cost of sales, selling, administrative, research and development expenses and others (except foreign exchange difference).

For the three-month period ended March 31, 2012, other income and other expenses included exchange differences amounting to (Won)196,231 million and (Won)155,027 million, respectively (three-month period ended March 31, 2011 : (Won)231,980 million and (Won)233,724 million, respectively).

The expenses for the three-month period ended March 31, 2011 were reclassified to conform to the classification for the three-month period ended March 31, 2012.

Table of Contents**12. Selling and Administrative Expenses**

Details of selling and administrative expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-------------|-------------|
| Salaries | (Won) | 35,915 | 34,760 |
| Expenses related to defined benefit plan | | 5,315 | 4,756 |
| Other employee benefit | | 6,082 | 8,061 |
| Shipping costs | | 67,698 | 26,638 |
| Fees and commissions | | 34,486 | 32,860 |
| Depreciation and amortization | | 21,893 | 9,434 |
| Taxes and dues | | 609 | 730 |
| Advertising | | 24,462 | 25,232 |
| After-sale service expenses | | 19,415 | 9,535 |
| Others | | 23,257 | 20,925 |
| | (Won) | 239,132 | 172,931 |

The expenses for the three-month period ended March 31, 2011 were reclassified to conform to the classification for the three-month period ended March 31, 2012.

13. Other Income and Other Expenses

(a) Details of other income for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|-------------|-------------|
| Rental income | (Won) | 1,015 | 940 |
| Foreign currency gain | | 196,231 | 231,980 |
| Gain on disposal of property, plant and equipment | | 65 | 158 |
| Reversal of allowance for doubtful accounts for other receivables | | 98 | 9 |
| Reversal of stock compensation cost | | 3 | 267 |
| Commission income | | 848 | 678 |
| Others | | 23,467 | 15,883 |
| | (Won) | 221,727 | 249,915 |

(b) Details of other expenses for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|-------------|-------------|
| Other bad debt expense | (Won) | | 74 |
| Foreign currency loss | | 155,027 | 233,724 |
| Loss on disposal of property, plant and equipment | | 1 | |
| Impairment loss on intangible assets | | 226 | |
| Expenses related to legal proceedings and others | | 29,624 | 5 |

(Won) 184,878 233,803

Table of Contents14. **Employee Benefits**

The Company's primary defined benefit plan provides a lump-sum payment to an employee based on final salary rates and length of service at the time the employee leaves the Company. The Company's defined benefit plan, if legal requirements are satisfied, allows interim settlement upon the employee's election. Subsequent to the interim settlement, service terms used in severance payment calculations for the defined benefit plan are remeasured from the settlement date.

- (a) Recognized liabilities for defined benefit obligations as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|---|-------|-------------|-------------|
| Present value of partially funded defined benefit obligations | (Won) | 509,358 | 486,519 |
| Fair value of plan assets | | (338,988) | (340,253) |
| | (Won) | 170,370 | 146,266 |

- (b) Expenses recognized in profit and loss for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--------------------------------|-------|-------------|-------------|
| Current service cost | (Won) | 32,378 | 26,759 |
| Interest cost | | 5,727 | 4,746 |
| Expected return on plan assets | | (3,548) | (3,088) |
| | (Won) | 34,557 | 28,417 |

- (c) Plan assets as of March 31, 2012 and December 31, 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|--------------------------------------|-------|-------------|-------------|
| Deposits with financial institutions | (Won) | 338,988 | 340,253 |

As of March 31, 2012, plan assets mainly consist of deposits in banks and others, which guarantee the payment of their principal and interest.

- (d) Actuarial gain and loss recognized in other comprehensive income (loss) for the three-month periods ended March 31, 2012 and 2011 is as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|---|-------|-------------|-------------|
| Defined benefit plan actuarial gain (loss) | (Won) | (53) | 605 |
| Income tax | | 13 | (133) |
| Defined benefit plan actuarial gain (loss), net of income tax | (Won) | (40) | 472 |

Table of Contents15. Finance income and costs

(a) Finance income and costs recognized in profit and loss for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|---|-------|--------|---------|
| Finance income | | | |
| Interest income | (Won) | 7,099 | 15,524 |
| Dividend income | | 204 | 5,280 |
| Foreign currency gain | | 35,842 | 95,979 |
| | (Won) | 43,145 | 116,783 |
| Finance costs | | | |
| Interest expense | (Won) | 44,923 | 27,276 |
| Foreign currency loss | | 20,773 | 19,426 |
| Loss on valuation of financial assets at fair value through profit or loss | | | 393 |
| Loss on valuation of financial liabilities at fair value through profit or loss | | 737 | 1,079 |
| Impairment loss on investments | | 7,487 | 14,538 |
| Loss on factoring of trade receivables | | 139 | |
| | (Won) | 74,059 | 62,712 |

(b) Finance income and costs recognized in other comprehensive income (loss) for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|------|---------|
| Loss on valuation of available-for-sale securities | (Won) | (68) | (1,100) |
| Tax effect | | 16 | 242 |
| | (Won) | (52) | (858) |

Table of Contents**16. Commitments****Factoring and securitization of accounts receivable**

The Company has agreements with Korea Development Bank and several other banks for accounts receivable sales negotiating facilities of up to an aggregate of USD1,568 million ((Won)1,784,617 million) and JPY5,000 million ((Won)69,037 million) in connection with its export sales transactions. As of March 31, 2012, accounts and notes receivable amounting to USD800 million ((Won)910,248 million) were sold but are not past due. In connection with all of the contracts in this paragraph, the Company has sold its accounts receivable with recourse.

The Company has a credit facility agreement with Shinhan Bank pursuant to which the Company could sell its accounts receivables up to an aggregate of (Won)50,000 million in connection with its domestic sales transactions and, as of March 31, 2012, no accounts and notes receivable were sold but are not past due. In addition, in April 2011, the Company entered into an agreement with Standard Chartered Bank for accounts receivable sales negotiating facilities of up to USD50 million ((Won)56,890 million) and as of March 31, 2012, accounts and notes receivable amounting to USD26 million ((Won)29,831 million) were sold to Standard Chartered Bank, with none of the underlying accounts and notes receivable being past due. In connection with all of the contracts in this paragraph, the Company has sold its accounts receivable without recourse.

Letters of credit

As of March 31, 2012, the Company has agreements with Korea Exchange Bank in relation to the opening of letters of credit up to USD70 million ((Won)79,646 million), USD20 million ((Won)22,756 million) with China Construction Bank, JPY2,000 million ((Won)27,615 million) with Woori Bank, USD70 million ((Won)79,646 million) with Bank of China, and USD60 million ((Won)68,268 million) with Sumitomo Mitsui Banking Corporation.

Payment guarantees

The Company obtained payment guarantees amounting to USD8.5 million ((Won)9,671 million) and EUR215 million ((Won)325,390 million) from Royal Bank of Scotland and other various banks for a number of occasions including value added tax payments in Poland. As of March 31, 2012, the Company is providing a payment guarantee to a syndicate of banks including Kookmin Bank and Societe Generale in connection with a EUR22 million ((Won)32,597 million) term loan credit facility of LG Display Poland Sp. zo. o. In addition, the Company provides a payment guarantee in connection with the term loan credit facilities of LG Display America, Inc. with an aggregate amount of USD7 million ((Won)7,965 million) for principals and related interests. The Company provides payment guarantees on the accounts payable of L&T Display Technology (Xiamen) Limited up to the amount of USD5 million ((Won)5,374 million) and CNY50 million ((Won) 9,079 million).

License agreements

As of March 31, 2012, in relation to its TFT-LCD business, the Company has technical license agreements with Hitachi Display, Ltd. and others and has a trademark license agreement with LG Corp.

Table of Contents16. Commitments, Continued*Long-term supply agreement*

In connection with long-term supply agreements, as of March 31, 2012, the Company's advances received from customer amount to USD580 million ((Won)659,924 million) in aggregate. The advances received will be offset against outstanding accounts receivable balances after a given period of time, as well as those arising from the supply of products thereafter. The Company received a payment guarantee amounting to USD300 million ((Won)341,340 million) from Industrial Bank of Korea relating to advances received.

Pledged Assets

Regarding the line of credit up to USD50 million ((Won)56,890 million), the Company provided with part of its OLED machinery as pledged assets to the Export-Import Bank of Korea.

17. Contingencies*Patent infringement lawsuit against Chi Mei Optoelectronics Corp., and others*

In 2006, the Company filed a complaint in the United States District Court for the District of Delaware against Chimei Innolux Corp. (formerly, Chi Mei Optoelectronics Corp.) and AU Optronics Corp. claiming infringement of patents related to liquid crystal displays and the manufacturing processes for TFT-LCDs. Both AU Optronics Corp. and Chimei Innolux Corp. filed counter-claims against the Company claiming the Company's infringement of their patents. The Court bifurcated the Company's trial against AU Optronics Corp., from the trial against Chimei Innolux Corp., holding the first trial against AU Optronics Corp. on June 2, 2009. In September 2011, the Company and AU Optronics Corp. filed a stipulation for dismissal of the Delaware case and amicably settled the claims and counterclaims between the two parties. The stay of the Chi Mei Optoelectronics case was lifted on January 31, 2012, and the parties filed a joint status report with the court on March 23, 2012. The Company is unable to predict the ultimate outcome of the Chimei Innolux case.

Anvik Corporation's lawsuit for infringement of patent

In 2007, Anvik Corporation filed a patent infringement case against the Company, along with other LCD manufacturing companies in the United States District Court for the Southern District of New York, in connection with the usage of photo-masking equipment manufactured by Nikon Corporation. The court granted Nikon Corporation's motion for summary judgment of invalidity of the patents-in-suit and entered a judgment in favor of Nikon Corporation, the Company and LG Display America and other TFT-LCD manufacturing companies, dismissing the case on April 5, 2012. On April 6, 2012, Anvik Corporation appealed the court's decision to the United States Court of Appeals for the Federal Circuit. The Company is unable to predict the ultimate outcome of this case.

Industrial Technology Research Institute of Taiwan, lawsuit for infringement of patent

In 2012, the United States International Trade Commission, or USITC, granted a motion by Industrial Technology Research Institute of Taiwan, or ITRI, to add the Company and LG Display America as additional respondents in a Section 337 investigation pending before the USITC. ITRI is seeking an exclusion order prohibiting the importation of televisions and monitors incorporating the Company's products into the United States for alleged patent infringement. The Company is unable to predict the ultimate outcome of this case.

Table of Contents17. Contingencies, Continued*Anti-trust investigations and litigations*

In December 2006, the Company received notices of investigation by the Korea Fair Trade Commission, the Japan Fair Trade Commission, the U.S. Department of Justice, and the European Commission with respect to possible anti-competitive activities in the TFT-LCD industry. The Company subsequently received similar notices from the Canadian Bureau of Competition Policy, the Federal Competition Commission of Mexico, the Secretariat of Economic Law of Brazil and the Taiwan Fair Trade Commission.

In November 2008, the Company executed an agreement with the U.S. Department of Justice (DOJ) whereby the Company and its U.S. subsidiary, LG Display America, Inc. (LGDUS), pleaded guilty to a Sherman Antitrust Act violation and agreed to pay a single total fine of USD400 million. In December 2008, the U.S. District Court for the Northern District of California accepted the terms of the plea agreement and entered a judgment against the Company and LGDUS and ordered the payment of USD400 million. The agreement resolved all federal criminal charges against the Company and LGDUS in the United States in connection with this matter.

In December 2010, the European Commission (the EC) issued a decision finding that the Company engaged in anti-competitive activities in the LCD industry in violation of European competition laws and imposed a fine of EUR215 million. On February 23, 2011, the Company filed with the European Union General Court an application for partial annulment and reduction of the fine imposed by the EC. The European Union General Court has not ruled on the Company's application. In November 2011, the Company received an additional Request for Information from the EC relating to the alleged anti-competitive activities in the LCD industry and is responding to the request.

In November 2009, the Taiwan Fair Trade Commission terminated its investigation without any finding of violations or levying of fines. Also, in February 2012, the Competition Bureau of Canada terminated its investigation against the Company without any finding of violations or levying of fines. To date April 2012, no decision has been issued by the Japan Fair Trade Commission, and we believe the statutory time period by which the Commission was required to have issued a decision has already lapsed. To date April 2012, investigations by the Federal Competition Commission of Mexico and the Secretariat of Economic Law of Brazil are ongoing.

In August 2011, the Korea Fair Trade Commission issued an Examination Report finding that the Company engaged in anti-competitive activities in violation of Korean fair trade laws and a hearing was held in October 2011. In December 2011, the Korea Fair Trade Commission imposed a fine on the Company and certain of its subsidiaries of approximately W31,378 million, and the Company filed an appeal of the decision with the Seoul Appellate Court in December 2011. To date April 2012, the Seoul High Court has not ruled on the Company's appeal.

Subsequent to the commencement of the DOJ investigation, a number of class action complaints were filed against the Company and other TFT-LCD panel manufacturers in the U.S. and Canada alleging violation of respective antitrust laws and related laws. The class action lawsuits in the U.S. were transferred to the Northern District of California for pretrial proceedings (MDL Proceedings). In March 2010, the court certified the class action complaints filed by direct purchasers and indirect purchasers. 78 entities (including groups of affiliated entities) submitted requests for exclusion from the direct purchaser class. The time period for submitting requests for exclusion from the indirect purchaser class expired on April 13, 2012. 10 entities (including groups and affiliated entities) submitted requests for exclusion from the indirect purchaser class. In addition, since 2010, the attorneys general of Arkansas, California, Florida, Illinois, Michigan, Mississippi, Missouri, New York, Oklahoma, Oregon, South Carolina, Washington, West Virginia and Wisconsin filed complaints against the Company, alleging similar antitrust violations as alleged in the MDL Proceedings. In June 2011, the Company reached a settlement with the direct purchaser class, which the federal district court approved in December 2011.

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17. Contingencies, Continued

Similar claims were filed separately by ATS. Claim, LLC, (assignee of Ricoh Electronics, Inc.), AT&T Corp. and its affiliates, Motorola, Inc., Electrograph Technologies Corp. and their respective related entities, all of which have been transferred to the MDL Proceedings. In November 2010, ATS Claim, LLC dismissed its action as to the Company pursuant to a settlement agreement. In addition, in 2010, Trac Fone Wireless Inc., Best Buy Co., Inc. and its affiliates, Target Corp., Sears, Roebuck and Co., Kmart Corp., Old Comp Inc., Good Guys, Inc., RadioShack Corp., Newegg Inc., Costco Wholesale Corp., Sony Electronics, Inc. and its affiliates, SB Liquidation Trust, and the trustee of the Circuit City Stores, Inc. Liquidation Trust, filed claims in the United States. In addition, in 2011, Office Depot, Inc., T-Mobile U.S.A., Inc., Interbond Corp. of America (Brandsmart), Jaco Electronics, Inc., P.C. Richard & Son Long Island Corp., MARTA Cooperative of America, Inc., ABC Appliance (ABC Warehouse), Schultze Agency Services, LLC (Tweeter), Tech Data Corp. and its affiliate, AASI Creditor Liquidating Trust for All American Semiconductor Inc., and CompuCom Systems, Inc. filed similar claims. In 2012, ViewSonic Corp., NECO Alliance LLC, and Rockwell Automation Inc. filed similar claims. To the extent these claims were not filed in the MDL Proceedings, they have been transferred or are expected to be transferred to the MDL Proceedings for pretrial proceedings.

In Canada, the Ontario Superior Court of Justice certified the class action complaints filed by the direct and indirect purchasers in May 2011. The Company is pursuing an appeal of the decision as well as defending the on-going class actions in Quebec and British Columbia.

While the Company continues its vigorous defense of the various pending proceedings described above, there is a possibility that one or more proceedings may result in an unfavorable outcome to the Company. The Company has established provisions with respect to certain of the contingencies. However, actual liability may be materially different from the provisions estimated by the Company. For certain cases described above, management is not able to estimate the potential estimated loss if the final outcome of the cases is unfavorable to the Company as the cases are in early stage and management does not have sufficient information to estimate the amount of possible loss.

Table of Contents18. Capital and Reserves

(a) Share capital

The Company is authorized to issue 500,000,000 shares of capital stock (par value (Won)5,000), and as of March 31, 2012 and December 31, 2011, the number of issued common shares is 357,815,700. There have been no changes in the capital stock for the three-month period ended March 31, 2012.

(b) Reserve

Reserve is comprised of the fair value reserve which is the cumulative net change in the fair value of available-for-sale financial assets until the investments are derecognized or impaired.

19. Related Parties

(a) Key management personnel compensation

Compensation costs of key management for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | 2012 | 2011 |
|--|-------|-------------|-------------|
| Short-term benefits | (Won) | 540 | 540 |
| Expenses related to defined benefit plan | | 37 | 42 |
| Other long-term benefits | | | 155 |
| | (Won) | 577 | 737 |

Key management refers to the registered directors who have significant control and responsibilities over the Company's operations and business.

Table of Contents19. Related Parties, Continued

(b) Significant transactions with related companies

Significant transactions which occurred in the normal course of business with related companies for the three-month periods ended March 31, 2012 and 2011 are as follows:

(In millions of won)

| | | Sales and other | | Purchases and other | |
|-----------------------|-------|-----------------|-----------|---------------------|-----------|
| | | 2012 | 2011 | 2012 | 2011 |
| Subsidiaries | (Won) | 5,363,286 | 4,463,861 | 909,793 | 811,279 |
| Joint ventures | | 200,113 | 149,065 | 21,041 | 1,174 |
| Associates | | 208 | 5,280 | 318,911 | 388,864 |
| LG Electronics | | 216,171 | 218,143 | 53,502 | 64,252 |
| Other related parties | | 10 | 10 | 7,952 | 5,376 |
| | (Won) | 5,779,788 | 4,836,359 | 1,311,199 | 1,270,945 |

Account balances with related companies as of March 31, 2012 and December 31, 2011 are as follows:

(In millions of won)

| | | Trade accounts and notes receivable and other | | Trade accounts and notes payable and other | |
|-----------------------|-------|---|-----------|--|-----------|
| | | 2012 | 2011 | 2012 | 2011 |
| Subsidiaries | (Won) | 3,110,334 | 3,428,624 | 944,084 | 859,659 |
| Joint ventures | | 116,803 | 130,217 | 252,684 | 340,073 |
| Associates | | 204 | 3 | 318,699 | 434,692 |
| LG Electronics | | 132,415 | 86,924 | 92,145 | 98,232 |
| Other related parties | | | | 3,023 | 3,042 |
| | (Won) | 3,359,756 | 3,645,768 | 1,610,635 | 1,735,698 |

Table of Contents20. **Income Taxes**

(a) Details of income tax expense (benefit) for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In millions of won)</i> | | 2012 | 2011 |
|-----------------------------|--------------|-----------------|-----------------|
| Current tax expense | (Won) | 564 | 574 |
| Deferred tax benefit | | (86,059) | (96,893) |
| Income tax benefit | (Won) | (85,495) | (96,319) |

(b) Deferred tax assets and liabilities

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the deferred tax assets at the reporting date will be realized with the Company's estimated future taxable income.

Deferred tax assets and liabilities as of March 31, 2012 and December 31, 2011 are attributable to the following:

| <i>(In millions of won)</i> | Assets | | Liabilities | | Total | | |
|---|--------|-----------|-------------|----------|----------|-----------|-----------|
| | 2012 | 2011 | 2012 | 2011 | 2012 | 2011 | |
| Other accounts receivable, net | (Won) | | (2,408) | (3,738) | (2,408) | (3,738) | |
| Inventories, net | | 14,484 | | | 15,568 | 14,484 | |
| Available-for-sale financial assets | | 1,259 | | | 2,434 | 1,259 | |
| Defined benefit obligation | | 21,877 | | | 14,565 | 21,877 | |
| Accrued expense | | 72,965 | | | 98,432 | 72,965 | |
| Property, plant and equipment | | 50,602 | | | 44,383 | 50,602 | |
| Intangible assets | | 1,105 | | | 1,597 | 1,105 | |
| Provisions | | 11,618 | | | 11,188 | 11,618 | |
| Gain or loss on foreign currency translation, net | | 13,616 | (981) | (31,313) | 5,471 | (17,697) | |
| Debentures | | 6,059 | | | 6,212 | 6,059 | |
| Others | | 13,970 | (126) | (715) | 11,267 | 13,255 | |
| Tax losses | | 329,068 | | | 356,036 | 329,068 | |
| Tax credit carryforwards | | 829,048 | | | 851,248 | 829,048 | |
| Deferred income tax assets (liabilities) | (Won) | 1,419,508 | 1,365,671 | (3,515) | (35,766) | 1,415,993 | 1,329,905 |

Statutory tax rate applicable to the Company is 24.2% for the three-month period ended March 31, 2012.

Table of Contents21. Loss Per Share

- (a) Loss per share for the three-month periods ended March 31, 2012 and 2011 are as follows:

| <i>(In won, and No. of shares)</i> | | 2012 | 2011 |
|--|-------|-----------------|-----------------|
| Net loss | (Won) | 175,078,414,289 | 154,350,084,341 |
| Weighted-average number of common shares outstanding | | 357,815,700 | 357,815,700 |
| Loss per share | (Won) | 489 | 431 |

There were no events or transactions that result in changes in the number of common shares used for calculating loss per share.

- (b) There are no effects of dilutive potential ordinary shares due to net loss for the three-month periods ended March 31, 2012 and 2011.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

LG Display Co., Ltd.

(Registrant)

Date: May 15, 2012

By: /s/ Heeyeon Kim
(Signature)

Name: Heeyeon Kim

Title: Head of IR/IR Division