

# 2020 Q3 Earnings Results

October 22, 2020 | Investor Relations



# Disclaimer

At the time, the external auditor has not yet completed its review of LG Display's 3Q 2020 earnings report. The following is provided for the convenience of our investors and the contents herein are subject to change during the audit review process of the external auditor.

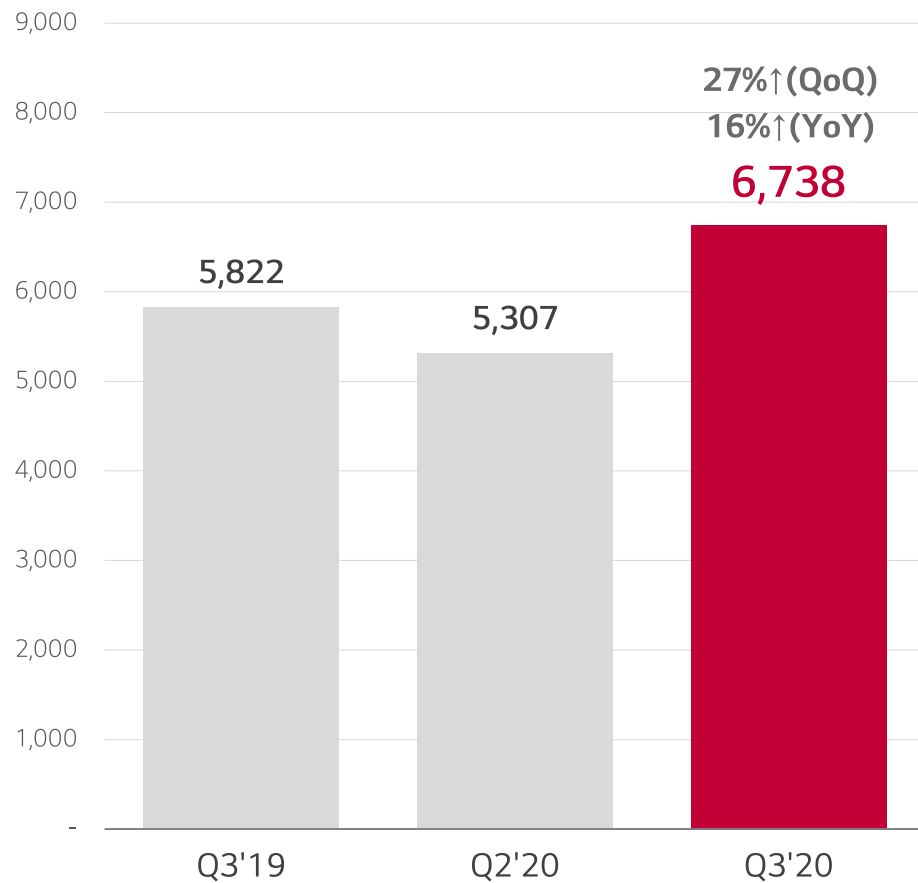
All information on the financial performance of the company presented herein was prepared on a consolidated basis in accordance with the International Financial Reporting Standards applicable in the Republic of Korea.

Please note that expectations and projections about future events included in this data reflect existing market conditions and LG Display's current management direction and may vary based on changes to the market environment or the company's strategic direction.

# Revenues & Profits

## Revenues

(Unit : KRW B)



## Profits

(Unit : KRW B, %)

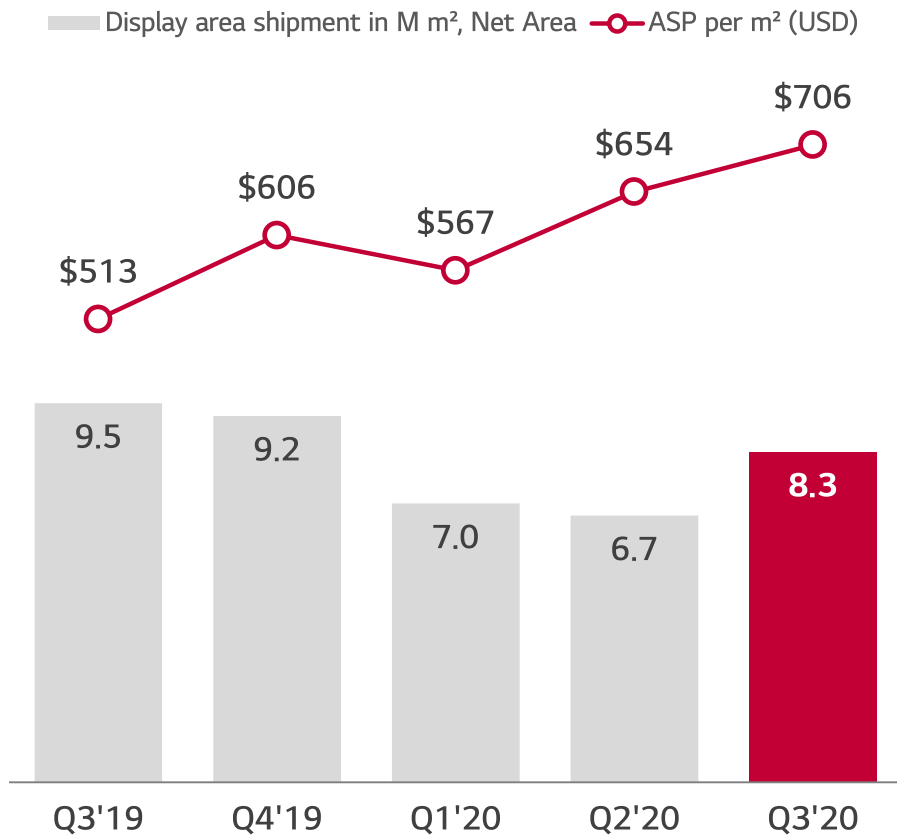
	Q3'19	Q2'20	Q3'20	QoQ	YoY
Operating Income	-436 -8%	-517 -10%	164 2%	TB	TB
EBITDA*	613 11%	413 8%	1,288 19%	212%	110%
Income Before Tax	-600	-669	-54	N/A	N/A
Net Income	-442	-504	11	TB	TB

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

# Shipment, ASP and Capacity

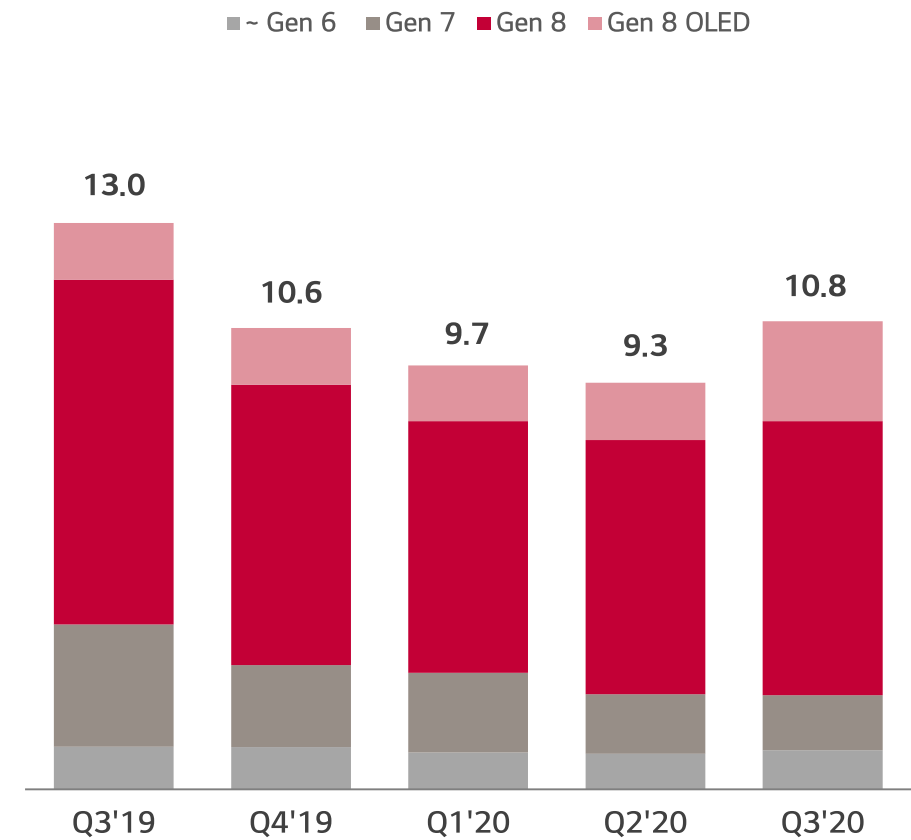
## Shipment and ASP

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

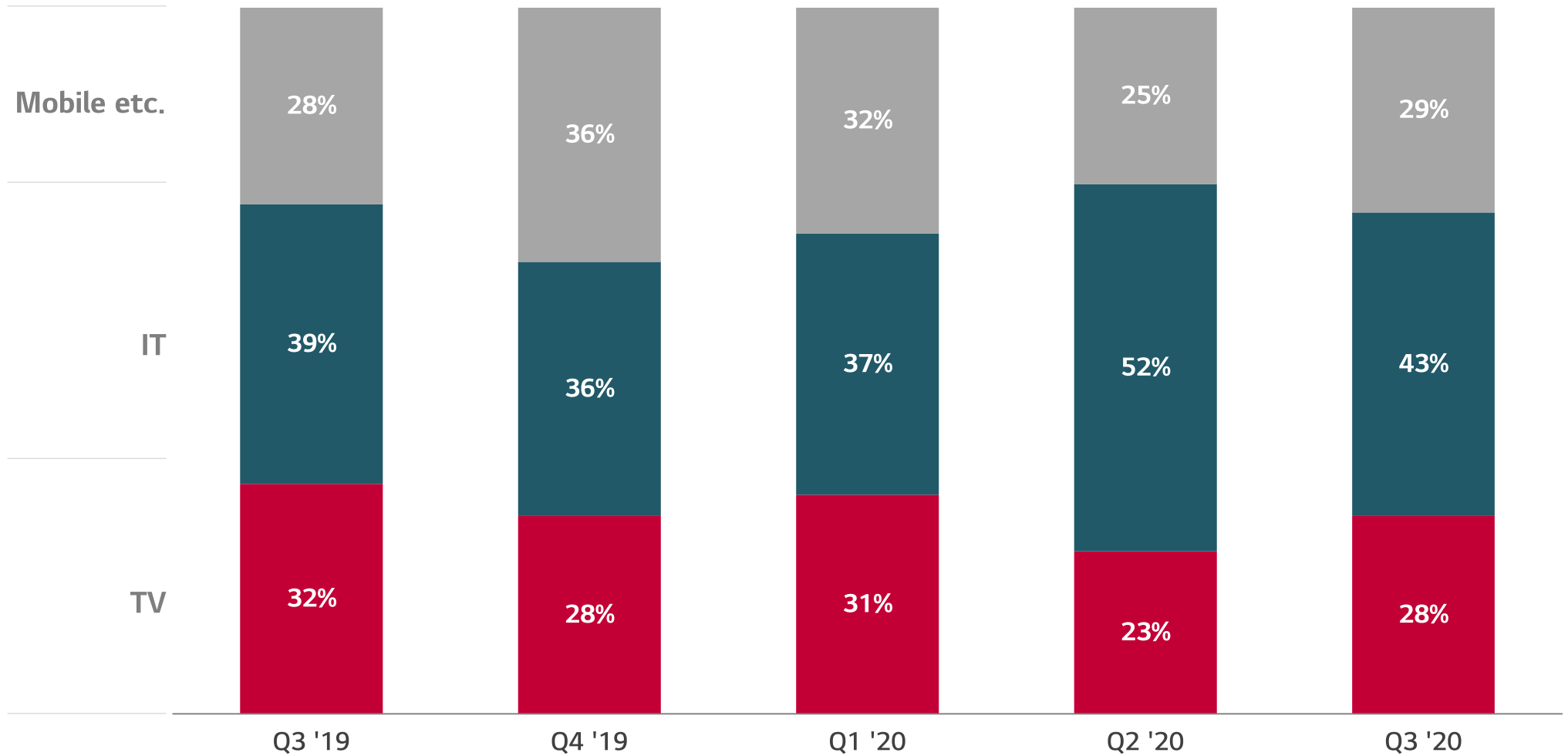


## Capacity

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



# Revenue: Product Mix



# Financial Positions & Ratios

## Financial Positions

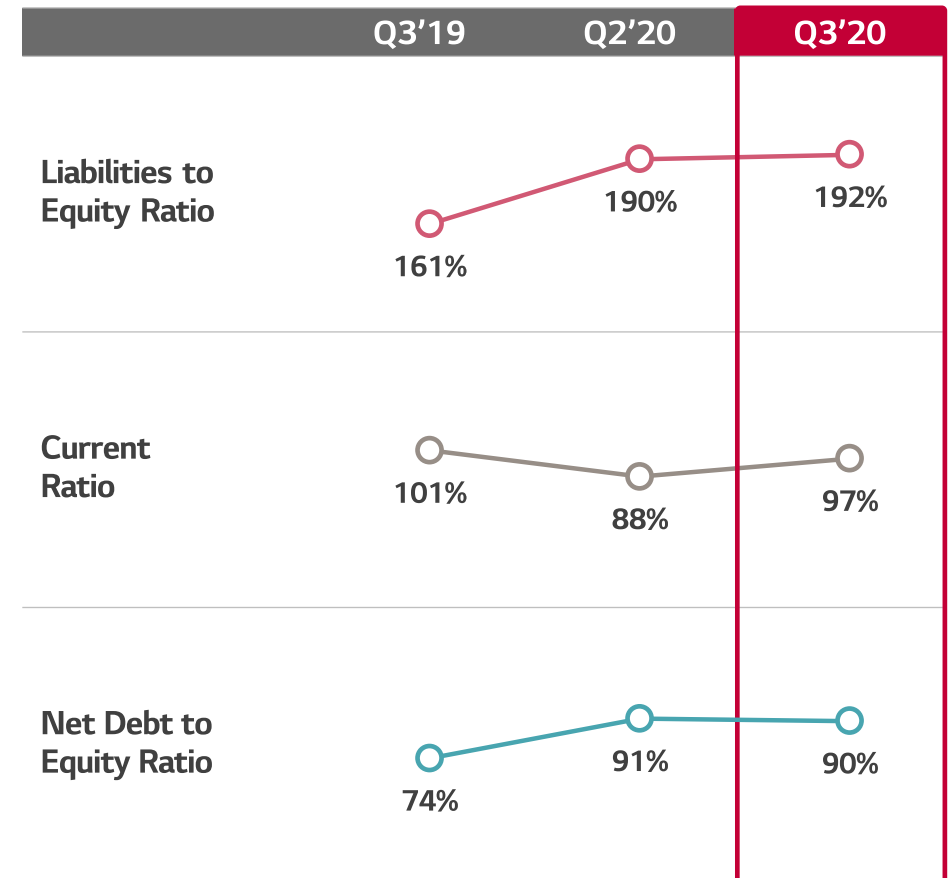
(Unit : KRW B)

	Q3'19	Q2'20	Q3'20
<b>Asset</b>	<b>37,443</b>	<b>35,054</b>	<b>35,497</b>
Current Assets	10,780	9,826	10,921
Cash *	2,838	3,599	3,367
Inventory	2,727	2,039	2,400
Non-Current Assets	26,663	25,228	24,576
<b>Liabilities</b>	<b>23,117</b>	<b>22,953</b>	<b>23,323</b>
Current Liabilities	10,641	11,160	11,202
Non-Current Liab.	12,476	11,793	12,121
<b>Shareholders' Equity</b>	<b>14,326</b>	<b>12,101</b>	<b>12,174</b>
Debts	13,429	14,644	14,374
Net Debts	10,591	11,045	11,007

\* Cash includes short term financial instruments.

## Financial Ratios

(Unit : KRW B)

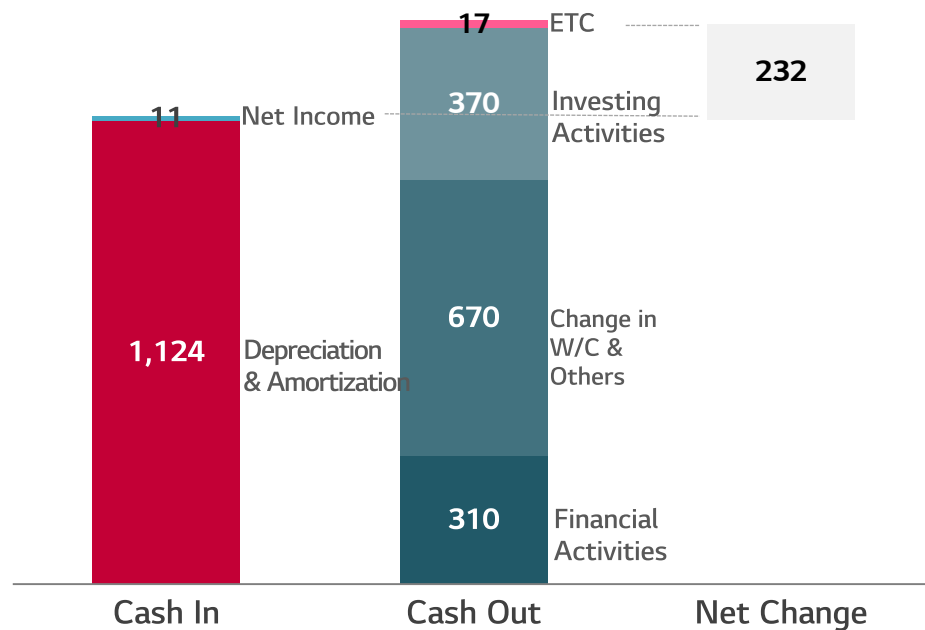


K-IFRS (Consolidated)

# Cash Flow

## Net Cash Flow

(Unit : KRW B)



## Cash Flow Statement

(Unit : KRW B)

	Q3'20
Cash at the Beginning of Quarter	3,599
<b>Cash Flow from Operating Activities</b>	<b>465</b>
Net Income	11
Depreciation & Amortization	1,124
Change in Working Capita & Others	(670)
<b>Cash Flow from Investing Activities</b>	<b>(370)</b>
<b>Cash Flow before Financing Activities</b>	<b>95</b>
Financing Activities	(310)
ETC.	(17)
<b>Net Change in Cash</b>	<b>(232)</b>
Cash at the End of Quarter	3,367

K-IFRS (Consolidated)

\* Cash includes deposits at financial institutions

\* Change of W/C includes F/X effects

# Appendix. IFRS Statements of Income



(Unit : KRW Bn)

Accounts	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20	
Revenue	7,062	6,629	6,973	7,126	27,790	5,675	5,611	6,103	6,948	24,337	5,879	5,353	5,822	6,422	23,476	4,724	5,307	6,738	
COGS	5,343	5,115	5,717	6,249	22,424	5,133	5,144	5,214	5,761	21,252	5,246	4,872	5,520	5,969	21,607	4,446	5,179	5,892	
Gross Profit	1,719	1,514	1,256	877	5,366	542	467	889	1,187	3,085	633	481	302	452	1,868	278	128	845	
Operating Income	1,027	804	586	45	2,462	-98	-228	140	279	93	-132	-369	-436	-422	-1,359	-362	-517	164	
EBITDA	1,743	1,583	1,420	930	5,676	812	681	1,020	1,134	3,647	679	458	613	586	2,336	630	413	1,288	
Income before tax	858	832	599	44	2,333	-96	-340	110	235	-91	-129	-442	-600	-2,173	-3,344	-295	-669	-54	
Net Income	679	737	477	44	1,937	-49	-301	18	153	-179	-63	-550	-442	-1,817	-2,872	-199	-504	11	
EPS (Unit: KRW)	1,899	2,059	1,334	122	5,414	-137	-840	49	427	-501	-175	-1,538	-1,236	-5,078	-8,027	-556	-1,408	31	
<b>Margins (%)</b>																			
Gross Margin	24.3	22.8	18.0	12.3	19.3	9.6	8.3	14.6	17.1	12.7	10.8	9.0	5.2	7.0	8.0	5.9	2.4	12.5	
Operating Margin	14.5	12.1	8.4	0.6	8.9	-1.7	-4.1	2.3	4.0	0.4	-2.2	-6.9	-7.5	-6.6	-5.8	-7.7	-9.7	2.4	
EBITDA Margin	24.7	23.9	20.4	13.1	20.4	14.3	12.1	16.7	16.3	15.0	11.5	8.6	10.5	9.1	10.0	13.3	7.8	19.1	

Source : Unaudited, Company financials  
K-IFRS (Consolidated)



# Appendix. IFRS Statements of Financial Position



(Unit : KRW Bn)

Accounts	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20
Asset	24,805	26,501	28,792	29,160	29,995	31,444	32,120	33,176	35,388	35,601	37,443	35,575	35,886	35,054	35,497
A/R	4,431	4,466	4,848	4,325	3,496	3,491	3,302	2,829	3,386	2,676	3,621	3,154	2,749	2,803	3,769
Cash*	2,303	2,602	3,302	3,360	3,497	3,197	2,839	2,443	2,483	2,502	2,838	3,415	3,637	3,599	3,367
Inventory	2,283	2,343	2,664	2,350	2,350	2,430	2,587	2,691	2,630	2,569	2,727	2,051	2,310	2,039	2,400
Liabilities	11,096	11,912	13,624	14,178	15,170	16,911	17,428	18,289	20,098	20,872	23,117	23,086	23,323	22,953	23,323
A/P	2,437	2,444	2,963	2,875	2,803	2,970	3,177	3,087	2,970	2,815	2,673	2,618	2,872	3,466	4,037
Short-term debts	767	834	1,219	1,453	2,148	2,182	2,049	1,554	1,549	1,803	1,875	1,940	2,847	3,099	2,531
Long-term debts	3,917	4,188	4,165	4,150	4,584	5,384	5,665	7,005	9,151	9,605	11,554	11,541	11,706	11,545	11,843
Shareholders' Equity	13,709	14,589	15,168	14,982	14,825	14,533	14,692	14,887	15,290	14,729	14,326	12,488	12,563	12,101	12,174
BPS (Unit : KRW)	38,313	40,774	42,391	41,869	41,434	40,615	41,060	41,603	42,730	41,162	40,037	34,901	35,110	33,818	34,024
Net debt to equity ratio (%)	17.4	16.6	13.7	15.0	21.8	30.1	33.2	41.1	53.7	60.5	73.9	80.6	86.9	91.3	90.4

Source : Unaudited, Company financials  
K-IFRS (Consolidated)

\* Cash includes short term financial instruments

# Appendix. IFRS Statements of Cash Flow

(Unit: KRW Bn)

Accounts	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20
Net Income	679	737	477	44	1,937	-49	-301	18	153	-179	-63	-550	-442	-1,817	-2,872	-199	-504	11
Depreciation & Amortization	716	779	834	885	3,214	910	909	881	855	3,555	811	827	1,049	1,008	3,695	992	930	1,124
Others	-325	564	830	-129	940	-753	743	266	-514	-258	-250	592	590	1,137	2,069	-915	-715	86
Working Capital*	92	-90	-183	749	568	756	92	240	279	1,367	-613	616	-1,245	1,088	-154	400	811	-756
Cash Flow from Operating Activities	1,162	1,990	1,958	1,549	6,659	864	1,443	1,405	773	4,485	-115	1,485	-48	1,416	2,738	278	522	465
Cash Flow from Investing Activities **	-1,638	-1,793	-1,587	-1,865	-6,883	-1,843	-2,282	-2,224	-2,006	-8,355	-2,137	-2,108	-1,459	-1,051	-6,755	-812	-883	-370
Net Cash flow from before Financing Activities	-476	197	371	-316	-224	-979	-839	-819	-1,233	-3,870	-2,252	-623	-1,507	365	-4,017	-534	-361	95
Financing Activities	57	276	336	374	1,043	1,116	718	180	837	2,851	2,029	664	1,858	232	4,783	774	255	-310
Dividends	0	-179	0	0	-179	0	-179	0	0	-179	0	0	0	0	0	0	0	0
Change in non-controlling interest***	0	4	-6	0	-2	0	0	281	0	281	262	-22	-15	-20	205	-18	68	-17
Net Change in cash	-419	298	701	58	638	137	-300	-359	-396	-917	39	20	336	577	971	222	-38	-232

Source : Unaudited, Company financials  
K-IFRS (Consolidated)

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

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

\*\*\* Equity investments from other companies

# Appendix. EBITDA Calculation

(Unit: KRW Bn)

Accounts	Q1'17	Q2'17	Q3'17	Q4'17	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	Q1'19	Q2'19	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20
1. Operating Income	1,027	804	586	45	2,462	-98	-228	140	279	93	-132	-369	-436	-422	-1,359	-362	-517	164
2. Depreciation	611	668	734	779	2,792	808	799	769	749	3,125	696	715	947	911	3,269	889	820	1,022
3. Amortization	105	111	100	106	422	102	110	111	106	429	115	112	102	97	426	103	110	102
<b>EBITDA (1+2+3)</b>	<b>1,743</b>	<b>1,583</b>	<b>1,420</b>	<b>930</b>	<b>5,676</b>	<b>812</b>	<b>681</b>	<b>1,020</b>	<b>1,134</b>	<b>3,647</b>	<b>679</b>	<b>458</b>	<b>613</b>	<b>586</b>	<b>2,336</b>	<b>630</b>	<b>413</b>	<b>1,288</b>

Source : Unaudited, Company financials  
K-IFRS (Consolidated)

We add depreciation and amortization expense to operating income to calculate EBITDA.

It is a key financial measure used by our senior management to internally evaluate the performance of our business and for other required of discretionary purposes.

We believe that the presentation of EBITDA will enhance an investor's understanding of our operating performance as we believe it is commonly reported and widely used by analysts and investors in our industry.

It also provides useful information for comparison on a more comparable basis of our operating performance and those of our competitors, who follow different accounting policies.

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