LG Display Co., Ltd.
Form 6-K
May 26, 2010
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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 2010

LG Display Co., Ltd.

(Translation of Registrant s name into English)

20 Yoido-dong, Youngdungpo-gu, Seoul 150-721, The Republic of Korea

(Address of principal executive offices)

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 x 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 x

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QUARTERLY REPORT

(From January 1, 2010 to March 31, 2010)

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 FOR THE CONVENIENCE OF READERS.

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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1. Company

A. Name and Contact Information

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

Our principal executive offices are located at West Tower, LG Twin Towers, 20 Yoido-dong, Youngdungpo-gu, Seoul, Republic of Korea, 150-721, and our telephone number at that address is +82-2-3777-1114. Our website address is http://www.lgdisplay.com.

B. Domestic Credit Rating

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

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C. Capitalization

(1) Change in Capital Stock (as of March 31, 2010)

(Unit: Won, Share)

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

* 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)
** ADSs offering: 1,715,700 shares (W34,500 per share) pursuant to the exercise of greenshoe option by the underwriters
*** ADSs offering: 32,500,000 shares (US$42.64 per share, US$21.32 per ADS)

(2) Convertible Bonds (as of March 31, 2010)

(Unit: US$, Share)

Item		Content
Issuing date		April 18, 2007
Maturity		April 18, 2012
(Redemption date after put option exercise)		(April 18, 2010)
Face Amount		US$550,000,000
Offering method		Public offering
Conversion period		Convertible into shares of common stock during the period from April 19, 2008 to April 3, 2012
Conversion price		(Won)48,075 per share*
Conversion status	Number of shares already converted	None
	Number of convertible shares	10,680,811 shares if all are converted*
Remarks		Registered form
		Listed on Singapore Exchange

* 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.

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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. The remaining US$66 million matures in 2012 at 116.77% of their principal amount. Accordingly, the number of shares issuable upon conversion changed from 10,680,811 to 1,281,697.

D. Voting rights (as of March 31, 2010)

(Unit: share)

Description	Number of shares
1. Shares with voting rights [A-B]	357,815,700
A. Total shares issued	357,815,700
B. Shares without voting rights	
2. Shares with restricted voting rights	
Total number of shares with voting rights [1-2]	357,815,700

E. Dividends

At the annual general meeting of shareholders on March 12, 2010, our shareholders approved a cash dividend of (Won)500 per share of common stock.

Dividends during the recent three fiscal years

Description	2009	2008	2007
Par value (Won)	5,000	5,000	5,000
Net income (loss) (Million Won)	1,067,947	1,086,896	1,344,027
Earnings (Loss) per share (Won)	2,985	3,038	3,756
Total cash dividend amount (Million Won)	178,908	178,908	268,362
Total stock dividend amount (Million Won)			
Cash dividend payout ratio (%)	16.8	16.5	20.0
Cash dividend yield (%)	1.3	2.2	1.6
Stock dividend yield (%)			
Cash dividend per share (Won)	500	500	750
Stock dividend per share (Share)			

* Earnings per share is calculated based on par value of (Won)5,000 per share.

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* Earnings per share is calculated by dividing net income by weighted average number of common stock.
* 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.

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, 2010, we operated fabrication facilities and module facilities in Paju and Gumi, Korea, an OLED facility in Gumi, Korea and a LCD research center in Paju, Korea. We have also established sales subsidiaries in the United States, Europe and Asia.

As of March 31, 2010, our business consisted of (i) the manufacture and sale of LCD panels, (ii) the manufacture and sale of OLED panels and (iii) the manufacture and sale of television sets that utilize our LCD panels. Because our OLED business represents only an extremely small part of our overall business, only our LCD business has been categorized as a reporting business segment. In addition, because our television sales business is operated by our affiliated company, we have not categorized our television sales business as a separate reporting business segment.

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Financial highlights by business (based on K-IFRS)

(Unit: In billions of Won)

2010 (Q1)	LCD business
Sales Revenue	5,876
Gross Profit	1,237
Operating Profit	789

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 between the players within the industry and production capacity in the industry, including ours, is being continually increased.

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 mobile phones, P-A/V, 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) Cyclicality

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

Intense competition and expectations of demand growth may lead panel manufacturers to invest in manufacturing capacity on similar schedules, resulting in a surge in capacity when production is ramped up at new fabrication facilities.

During such surges in capacity growth, the average selling prices of display panels may decline. Conversely, demand surges and fluctuations in the supply chain may lead to price increases.

(3) Market Condition

The TFT-LCD industry is highly competitive due largely to additional capacity expansion driven by TFT-LCD panel makers.

Most TFT-LCD panel makers are located in Asia.

a. Korea: LG Display, Samsung Electronics (including a joint venture between Samsung Electronics and Sony Corporation), Samsung Mobile Display, Hydis Technologies

b. Taiwan: AU Optronics, Chi Mei Innolux, CPT, Hannstar etc.

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c. Japan: Sharp, IPS-Alpha, etc.

d. China: SVA-NEC, BOE-OT, etc.

(4) Market shares

Our worldwide market share for large-sized TFT-LCD panels based on revenue is as follows:

	2010 (Q1)**	2009***	2008***
Panels for Notebook Computers	31.6%****	30.3%****	29.6%****
Panels for Monitors	24.7%	23.9%	17.7%
Panels for Televisions	23.6%	24.4%	19.4%
Total	25.0%	25.2%	20.6%

* Source: 2010 Q1 Large Area Shipment Report published by DisplaySearch in May 2010.
** Based on large-sized TFT-LCD panels that are 9 inches or larger.
*** Based on large-sized TFT-LCD panels that are 10 inches or larger.
**** 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.

We reinforced our position as a leader in LCD technology by developing an ultra slim LCD module for 47-inch LCD televisions that is sturdy and provides high-quality images, a large three-dimensional multi-vision LCD panel which does not require special viewing glasses, one of the world s most energy efficient LCD panels for 32-inch LCD televisions that uses less than 1 watt per inch, a 47-inch digital photo television which can utilize its standby power to display digital pictures and the world s first Trumotion 480Hz LCD panel which refreshes 480 frames per second to substantially decrease afterimage and provide viewers with high-quality images that cause less eye fatigue.

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Moreover, we formed strategic alliances or entered into long-term sales contracts with major global firms such as Dell, Hewlett Packard and Kodak of the United States and Japan s Toshiba, among others, to secure customers and expand partnerships for technology development. In January 2009, we entered into a long term supply agreement with Apple Inc. to supply display panels to Apple Inc. for five years.

C. New business

In October 2007, we decided to invest in an 8th generation fabrication facility (P8) to expand our production capacity in line with the growing large-sized LCD television market. The construction of P8 has been completed and mass production at P8 commenced in March 2009. In July 2008, we decided to invest in a 6th generation fabrication facility (P6E) to expand our production capacity. The construction of P6E has been completed and mass production at P6E commenced in April 2009.

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 leading the LED backlight LCD market.

We are making an effort to increase our competitiveness by forming cooperative relationships with suppliers and purchasers of our products. As part of this effort, in June 2008, we purchased 2,037,204 shares of AVACO Co., Ltd., which produces sputters, a core equipment for LCD production, at a purchase price of (Won)6.2 billion and in May 2008, we purchased 1,008,875 shares of TLI Inc., which produces core LCD panel components such as timing controllers and driver integrated circuits, at a purchase price of (Won)14.1 billion. In July 2008, we purchased 6,850,000 shares of common stock of New Optics Ltd. at a purchase price of (Won)9.7 billion, and in February 2010, we purchased an additional 1,000,000 shares of common stock of New Optics at a purchase price of (Won)2.5 billion. In addition, in February 2009, we purchased 3,000,000 shares of common stock of ADP Engineering Co., Ltd. at a purchase price of (Won)6.3 billion. In May 2009, we purchased 6,800,000 shares of common stock of Wooree LED Co., Ltd. at a purchase price of (Won)11.9 billion. In November 2009, we purchased 34,125,061 shares of common stock of RPO Inc. at a purchase price of US$12.3 million. In November 2009, we purchased TWD212.5 million in convertible bonds from Everlight Electronics Co., Ltd. In December 2009, we purchased 420,000 global depositary shares representing 420,000 shares of Prime View International Co., Ltd s common stock at a purchase price of US$9.9 million. In addition, in January 2010, we purchased 10.8 million shares of Can Yang Investment Limited at a purchase price of CNY74 million. By promoting strategic relationships with equipment and parts suppliers, which enables us to obtain a stable source of supply of equipment and parts at competitive prices, we have strengthened our competitive position in the LCD business.

In July 2008, we and Skyworth-RGB Electronics Co., Ltd. founded a research and development joint venture corporation with a registered capital of CNY 50 million in China.

In October 2008, we established a joint venture company with AmTRAN Technology Co., Ltd., a Taiwan corporation. The joint venture company 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. It also allows us to produce LCD modules and LCD television sets in a single factory, which enables us to provide our customers with products that are competitive both in terms of technology and price.

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We are making an effort to strengthen our competitiveness in the solar cell business, which is emerging as a future growth engine. As part of this effort, in June 2009, we purchased 933,332 shares of common stock of Dynamic Solar Design Co., Ltd. at a purchase price of (Won)6.1 billion. Dynamic Solar Design Co., Ltd. produces equipment for the solar cell business.

As part of our strategy to expand our production capacity overseas, in November 2009, we signed an investment agreement and a joint venture agreement 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. We invested (Won)72.3 billion in return for a 49% equity interest in the joint venture company.

In December 2009, we invested (Won)1.8 billion and acquired a 30.6% limited partnership interest in LB Gemini New Growth Fund No.16. Under the limited partnership agreement, we have agreed to invest a total amount of (Won)30 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 indirect investment.

In July 2009, in order to expand our back-end module assembly capacity for liquid crystal display production, we entered into a stock purchase agreement with LG Electronics Inc. and LG Electronics (China) Co., Ltd. to purchase all of the shares of LG Electronics (Nanjing) Plasma Co., Ltd. at a purchase price of (Won)3.5 billion. Pursuant to the terms of such transaction, in December 2009, we acquired all of the equity interests of LG Electronics (Nanjing) Plasma Co., Ltd.

In order to increase our production capacity to meet the rising demand for our TFT-LCD products resulting from an overall growth of the TFT-LCD market, we are currently expanding P8, our eighth-generation panel fabrication facility in Paju, Korea, by constructing two expansions, P8E and P8E+, each equipped with additional production lines. The construction phase for P8E is nearly complete, and it commenced mass production with respect to certain production lines during the second quarter of 2010. P8E+ is expected to commence mass production during the first half of 2011.

In January 2010, we established a joint venture company with TPV Technology Co., Ltd., a Taiwan corporation. The joint venture company will supply both parties with TFT-LCD modules and TFT-LCD televisions and monitors. Through the establishment of this joint venture, we are able to further expand our customer base by securing a stable long-term panel dealer. It also allows us to produce LCD modules, LCD television sets and LCD monitors in a single factory, which enables us to provide our customers with products that are competitive both in terms of technology and price.

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3. Major Products and Raw Materials

A. Major products in 2010 (Q1)

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

(Unit: In billions of Won)

Business area	Sales types	Items (Market)	Specific use	Major trademark	Sales (%)
TFT-LCD	Product/ Service/ Other Sales	TFT-LCD (Overseas)	Panels for Notebook Computer, Monitor, Television, etc	LG Display	5,644 (96.0%)
		TFT-LCD (Korea*)	Panels for Notebook Computer, Monitor, Television, etc	LG Display	232(4.0%)
Total					5,876(100%)

* Including local export.
** Period: January 1, 2010 ~ March 31, 2010.

B. Average selling price trend of major products

The average selling prices of LCD panels have decreased due to oversupply for LCD panels. The average selling prices of LCD panels are expected to continue to fluctuate due to imbalances in the supply and demand for LCD panels.

(Unit: US$ / m^2)

Description	2010 Q1	2009 Q4	2009 Q3	2009 Q2
TFT-LCD panel	838	809	833	739

* Semi-finished products in the cell process have been excluded.
** Quarterly average selling price per square meter of net display area shipped

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)

Business area	Purchase types	Items	Specific use	Purchase price	Ratio (%)	Suppliers
TFT-LCD		Glass	LCD panel	954	26.91%	Samsung Corning Precision

	Raw Materials	manufacturing			Glass Co., Ltd., Nippon Electric Glass Co., Ltd., etc.
		Backlight	1,021	28.78%	Heesung Electronics Ltd., etc.
		Polarizer	502	14.16%	LG Chem, etc.
		Others	1,069	30.15%	
Total			3,546	100%	

* Period: January 1, 2010 ~ March 31, 2010
** Based on separate K-IFRS.

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4. Production and Equipment

A. Production capacity and calculation

(1) Calculation method of production capacity

First Quarter: Maximum monthly input capacity during the quarter x number of months (3 months).

(2) Production capacity

(Unit : 1,000 Glass sheets)

Business area	Items	Business place	2010 (Q1)	2009	2008
TFT-LCD	TFT-LCD	Gumi, Paju	1,525	6,219	3,931

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

B. Production performance and utilization ratio

(1) Production performance

(Unit: 1,000 Glass sheets)

Business area	Items	Business place	2010 (Q1)	2009	2008
TFT-LCD	TFT-LCD	Gumi, Paju	1,477	5,231	3,514

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

(2) Utilization Ratio

(Unit: Hours)

Business place (area)	Available working hours of 2010 (Q1)	Actual working hours of 2010 (Q1)	Average utilization ratio
Gumi	2,160	2,160	
(TFT-LCD)	(24 hours x 90 days)	(24 hours x 90 days)	100.0%
Paju	2,160	2,160	
(TFT-LCD)	(24 hours x 90 days)	(24 hours x 90 days)	100.0%

C. Investment plan

In connection with our strategy to expand our TFT-LCD production capacity, we estimate that we will incur capital expenditures of approximately (Won)5.5 trillion in 2010. Such amount is subject to change depending on business conditions and market environment.

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5. Sales

A. Sales performance

(Unit: In billions of Won)

Business area	Sales types	Items (Market)		2010 (Q1)*	2009*	2008**
TFT-LCD	Products, etc.	TFT-LCD	Overseas	5,644	19,091	15,200
			Korea***	232	947	1,064
			Total	5,876	20,038	16,264

* Based on K-IFRS.
** Based on Korean GAAP.
*** Includes local export.

B. Sales route and sales method

(1) Sales organization

As of March 31, 2010, each of our IT Business Unit, Television Business Unit and Mobile/OLED Business Unit had individual sales and customer support functions.

Sales subsidiaries in the United States, Germany, Japan, Taiwan, Singapore and China (Shanghai and Shenzhen) perform sales activities and provide local technical support to customers.

(2) Sales route

One of the following:

LG Display HQ g Overseas subsidiaries (USA/Germany/Japan/Taiwan/Singapore/China (Shanghai and Shenzhen)), etc. g System integrators, Branded customers g End users

LG Display HQ g System integrators, Branded customers g 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 the leading consumer electronics makers globally

To increase sales of premium notebook computer products, to strengthen sales of the larger size and high-end monitor segment and to lead the large and wide LCD television market including in the category of full-high definition 120Hz television monitors

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To diversify our market in the mobile business segment, including products such as mobile phone, P-A/V, automobile navigation systems, e-book, aircraft instrumentation and medical diagnostic equipment, etc.

(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 steady 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 Electronics, Samsung Mobile Display, Infovision, Hydis Technologies, AU Optronics, Chi Mei Innolux, Chunghwa Picture Tubes, HannStar, SVA-NEC, BOE-OT, Sharp, Hitachi, TMDisplay, Mitsubishi, Sony and IPS-Alpha.

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.

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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 have entered into cross-currency interest rate swap contracts and foreign currency forward contracts.

7. Derivative contracts

A. Hedge against Interest Rate Risks

Our exposure to interest rate risks relates primarily to our debt obligations, including loans and debentures. In order to hedge against such interest rate risks, we enter into interest rate swap contracts with respect to interest rates for some of our existing floating rate debt. Details of our interest rate swaps outstanding as of March 31, 2010 are as follows:

(In millions of US$, except forward rate)

Bank	Maturity date	Contract amount	Contract rate	
Standard Chartered First Bank Korea	May 24, 2010	US$ 100	Receiving floating rate	6-month LIBOR
			Paying fixed rate	5.644%

The following table shows the fair value of our interest rate swaps as of the dates indicated:

(Unit: In millions of Won)

Type	As of March 31, 2010	As of December 31, 2009
Gain (Loss) on valuation of interest rate swaps	(Won) (5,032)	(3,699)
Financial assets (liabilities)	(5,032)	(3,699)

B. Hedge against Currency Risks

We are exposed to currency risks on sales, purchases and borrowings that are denominated in currencies other than our functional currency, the Korean Won. The principal such foreign currencies are the U.S. dollar, the Euro and the Japanese Yen. We generally use forward exchange contracts with a maturity of less than one year from the end of the fiscal period to hedge against currency risks.

Interest on our borrowings are denominated in Korean Won, the U.S. dollar or the Japanese Yen. Since cash generated from our operations are also denominated in these three currencies, we have not entered into any derivative contracts to hedge against foreign currency denominated interest expenses.

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In respect of other monetary assets and liabilities denominated in foreign currencies, we ensure that our net exposure is kept at 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 payables relating to our capital expenditures, in response to currency fluctuations.

C. Recognized Assets and Liabilities

Changes in the fair value of (i) forward exchange contracts used to hedge foreign currency risk exposure of monetary assets and liabilities denominated in foreign currencies and (ii) forward exchange contracts for which hedge accounting is not applied, are recognized in profit or loss. Both changes in fair value of forward contracts and foreign exchange gains and losses relating to monetary items are recognized as part of finance costs. The fair value of forward exchange contracts used as hedges for monetary assets and liabilities denominated in foreign currencies as of March 31, 2010 was (Won)7,316 million ((Won)2,674 million as of December 31, 2009).

8. Major contracts

January 2009: We entered into a long-term supply agreement with Apple Inc. to supply LCD panels to Apple Inc. for 5 years. In connection with the Agreement, we received long-term advances from Apple Inc. in the amount of US$500,000,000 in January 2009 which will be offset as the consideration for products supplied to Apple Inc.

9. Research & Development

A. Summary of R&D Expense

(Unit: In millions of Won)

Account		2010* (Q1)	2009*	2008**
Material Cost		112,405	400,467	302,445
Labor Cost		62,554	191,507	128,041
Depreciation Expense		18,466	89,459	21,679
Others		21,486	92,905	49,027
Total R&D Expense		214,911	774,338	501,192
Accounting Treatment	Selling & Administrative Expenses	50,941	168,081	148,037
	Manufacturing Cost	141,295	505,582	353,155
	Development Cost (Intangible Assets)	22,675	100,675	
R&D Expense / Sales Ratio [Total R&D Expense÷Sales for the period×100]		3.7%	3.8%	3.2%

* Based on separate K-IFRS.
** Based on non-consolidated Korean GAAP.

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B. R&D achievements

[Achievements in 2007]

1) Development of first Poland model

32-inch HD model

2) Development of socket type backlight model

42-inch FHD model

47-inch HD/FHD model

3) Development of new concept backlight model

Development of 32-inch HD model

42/47-inch model under development

4) Development of interlace image sticking free technology and model

Improvement of low picture quality caused by television interlace signals

5) Development of TFT-LCD with ODF (One Drop Filling) for mobile phone application

Our first ODF model for mobile phone application (1.52 inch)

6) Development of GIP (Gate in Panel) application model 15XGA

Removal of gate drive integrated circuits: 3ea g 0ea

Reduction in net material costs and shortening of assembly process

7) 24-inch TN (92%) monitor model development

The world s first large-size panel TN application

Realization of 92% high color gamut on the world s largest TN panel

8) 15.4-inch LED backlight applied model development

The world s first 15.4-inch wide LED-applied display panel for notebook computers

The world s largest LED-applied panel for notebook computers

9) Development of FHD 120Hz display panel

37- to 47-inch FHD model

10) Development of backlight localization model

32-inch HD model

11) Development of enhanced Dynamic Contrast Ratio technology

32-inch HD model

Enhanced from 5000:1 to 10000:1

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12) Development of technology that improves panel transmittance

Expected to be applied to new models

13) Development of THM (through-hole mounting) technology and model

37- to 47-inch model

Providing more mounting options to users

14) Development of the world s first DRD (Double Rate Driving) technology-applied model

Reduction in source drive integrated circuits: 6ea g 3ea

Reduction in net material costs and shortening of assembly process

15) COG (Chip On Panel) applied model development

Development of thin and light LCD panels made possible by flat type structure

16) 26-inch/30-inch IPS 102% monitor model development

Development of 26-inch/30-inch IPS model that can realize 102% wide color gamut

17) 2.4-inch narrow bezel for Mobile Display

The borders on the left and right sides of this 2.4-inch qVGA-resolution (240RGB×320) LCD panel measure just 1mm each.
Most a-Si TFT LCD panels currently produced generally have borders measuring closer to 2mm

18) Development of 6-inch Electrophoretic Display Product (EDP) to be used in e-books. The first EPD product for LG Display

The first EDP to be developed and launched for e-books, the 6-inch SVGA-resolution (800RGBX600)
EDP will be supplied to SONY

[Achievements in 2008]

19) 42FHD Ultra-Slim LCD television development

Development of ultra-slim (19.8mm in thickness) 42-inch television panel

20) 37FHD COF adoption LCD television development

Cost reduction with TCP g COF change: $2.4 (as of March 2008)

21) CCFL scanning backlight technology development

Achieve 6ms MPRT from 8ms

22) 24WUXGA monitor model development applying RGB LED backlight

High color gamut (NTSC > 105%), color depth (10 bit)

23) 13.3-inch notebook computer model development applying LED backlight

Thin & Light model development applying LED backlight and COG technology
(3.5mm in thickness, 275g in weight)

24) IPS GIP technology development

Developed LCD industry s first WUXGA GIP technology in wide view mode area (IPS, VA)

Comparative advantage in cost & transmittance over VA

25) Notebook computer model development applying RGB LED backlight

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High color gamut (100%) notebook computer model development applied RGB LED backlight

26) Free form LCD development (Elliptical, Circle)

Development of the world s largest 6-inch elliptical and 1.4-inch circular-shaped LCD panels

Developing non-traditional shaped displays by applying (i) error-free, cutting-edge techniques to overcome technical limitations in making curved LCD panels, (ii) accumulated panel design knowledge and (iii) unique screen information processing algorithm

Potential applications of the elliptical-shaped LCD panels include digital photo frame, as well as instrument panels for automobiles and home electronics. The circular LCD panel is expected to make a huge impact in the design of small digital devices like mobile phones, watches and gaming devices.

27) 42HD power consumption saving technology development

Power consumption reduction using lamp mura coverage technology which reduces the number of lamps used for B/L from 18pcs(160W) to 9pcs(80W) in case of 42-inch HD LCD panels

28) New liquid crystal development

CR: Up 5% compared with the MP level

Material cost is similar to the MP material

39) New AG Polarizer development

New Polarizer which has a low CR drop ratio under bright room condition

CR drop ratio under 1,500lux compared with dark room condition : 82% g 67%

30) PSM (Potential Sharing Method) technology development

(Improves the Yogore mura characteristics by applying a different electric circuit driving method)

The time for Yogore mura occurrence delayed by more than 50%

: Black line 1 level base, 552Hrs, 720Hrs g 1,392Hrs, 2,064Hrsh

31) LED backlight 47FHD television model in development

Development of next generation light source which enables realization of ultra slim LCD panels

32) 24WUXGA monitor model development applying RGB LED backlight

Our first green & slim monitor model development applying white LED backlight (thickness 18.3mm)

Our first display port interface type monitor

33) Line up of aspect ratio 16:9 wide models (185W, 23W, 27W)

16:9 models provide for better productivity and larger contents area than existing 16:10 models

Supports HD or FHD that are compatible with television applications

Development of our first 27W size model

34) Power consumption saving monitor model development

Reduces power consumption by 40% by decreasing the number of B/L lamps from 4pcs to 2pcs (17SXGA, 19SXGA, 185WXGA, 19WXGA+. 22WSXGA+)

35) Notebook model development applying VIC (Viewing Image Control) technology

Unlike existing models which use external polarizer attachments to adjust viewing angles, the VIC technology allows for the adjustment to be controlled by the LCD panel itself. (Wide viewing angle « Narrow viewing angle)

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36) Notebook model development applying 0.3t glass

Thin & Light model development applying 0.3t glass

37) 8.9-inch small-sized notebook (netbook) model development

Development of minimum size notebook model for improved portability

38) New aspect ratio 16:9 notebook model development

Existing aspect ratios: 16:10, 4:3

New aspect ratio 16:9, 15.6-inch notebook model development

39) Development of highest resolution for mobile application that uses the a-Si method.

Development of the world s first 3-inch WVGA LCD panels (300ppi)

40) 42FHD super narrow bezel LCD television development

Development of narrow bezel (10.0mm in metal bezel) 42-inch television panel

41) 47FHD slim depth & narrow bezel LCD television development

Development of slim (20.8mm in thickness) & narrow bezel (14.0mm in metal bezel) 47-inch television panel

42) Display port development

Securing the next generation Interface technology that will replace the current LVDS interface: Decreases the number of connector pins from 91pin (51+41) to 30pin and improves EMI characteristics

43) LCM rotation circuit development

Increases the design flexibility of television sets by using a 180° screen rotation function

44) Small- to medium-sized television model development

To meet increased demand for secondary television sets

19/22/26 inch model development

45) 55FHD television model development

Development of 55-inch (a new category) television panel applying scanning B/L technology

46) Development of television model applying GIP+TRD technology

Development of 32-inch and 26-inch HD television applying GIP+TRD technology

47) One PCB structure development

Achieving cost reduction by combining Source PCB with Control PCB: $1.94g$1.1

48) 42FHD Gate Single Bank technology development

Reduction in gate driver integrated circuits by applying 42FHD Gate Single Bank technology: 8ea g 4ea

49) 22-inch WSXGA+ model development for Economy IPS Monitor

Development of the world s first Economy IPS 22-inch WSXGA+ model

Achieving cost competitiveness by applying various cost reduction technologies, including DBEF-D sheet deletion

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50) 21.5-inch TN FHD model development applying 960ch source driver integrated circuits chip

Development of LG Display s first 21.5-inch wide-format TN FHD model

Increased cost competitiveness by applying 960ch source driver integrated circuits chip, which reduces the number of integrated circuits: 8ea g 6ea

51) 27-inch TN FHD model development applying BDI (Black Data Insertion) technology

Development of LG Display s first 27-inch wide-format TN FHD model that applies BDI technology, which removes motion picture afterimages

Applying CCA (Color Compensation Algorism) technology that enables the display of superior color tone

Achieving 16:9 spect ratio, more than 2.07 million pixel and FHD Resolution

52) a-Si TFT based 3-inch DOD AMOLED technology development

Development of the world s first 3-inch AMOLED applying a-Si TFT and DOD Structure

Possible to use prior LCD infrastructure (a-SI TFT) to develop AMOLED

53) Development of AMOLED applying new crystallization (A-SPC) technology

Development of the world s first AMOLED applying non-laser crystallization method (A-SPC)

Development of the world s largest AMOLED television (15-inch HD)

[Achievements in 2009]

54) Developments of 15.6-inch, 18.5-inch HD monitors for emerging market

Achieving cost reduction by focusing on basic functions and by applying GIP and DRD

55) Development of 22-inch WSXGA+ monitor applying White LED backlight

Development of our first environmentally friendly slim model (14.5mm in thickness)

Reduces power consumption by 47% compared to conventional CCFL model by applying White LED backlight

56) Development of 24-inch WUXGA+ monitor applying GIP

Development of the world s first monitor applying IPS GIP technology

Increased cost competitiveness by applying 960ch source driver integrated circuits chip, which reduces the number of integrated circuits: 8ea g 6ea

57) Development of 55/47/42-inch FHD LED models

Development of Direct thicker LED model MP

Realization of TM240Hz

58) 240Hz driving technology development

Development of the world s first 1 Gate 1 Drain 240Hz driving technology

59) Development of low voltage liquid crystal development

Improving contrast ratio by 2.7%

Decreases voltage used in liquid crystals reducing circuit heat**;** decreases voltage by 6.9%

60) Development of Ez (Easy) Gamma technology

Minimize Gamma difference by using new measuring algorithm: 2.2±0.6 g 2.2±0.25

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61) Development of 22-inch White+ technology

Increases transmissivity by 66% by using White+ Quad type pixel structure

62) Development of 55FHD direct slim LED model

Development of the world s first direct-mounted 16.3mm depth slim LCM

Realization of 240 block local dimming and Trumotion 240Hz

63) Development of 42HD GIP +TRD technology

The world s first application of the 42HD GIP + TRD structure

Removal of gate drive integrated circuits: 3ea g 0ea

Reduction in source drive integrated circuits: 6ea g 2ea

64) Development of TV3 CR5 Color PR

Realization of 100% BT709 reiteration rate by applying RGB Color Locus

Achieving a 5% increase in CR by decreasing size of Color PR pigment

65) Development of the world s first slim 27W FHD TN monitors

Reduces thickness by applying edge-mounted backlight: 37.2t g 21.6t

Reduces power consumption by 60% compared to conventional models by applying 4Lamp

Realization of MPRT 8ms by applying BDI technology

66) Development of the world s first 25W FHD TN new size monitors

Development of new aspect ratio model: 16:9 wide-format

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

Removal of gate driver integrated circuits by applying GIP (Gate in Panel) technology

67) Development of 16:9 wide-format power consumption saving monitors (200W HD+, 215W FHD, 230W FHD)

Reduces power consumption by 40% compared to conventional models by applying 2Lamp

Slim design which reduces thickness: 17.0t g 14.5t

To meet Energy Star 5.0 standards

68) Development of the world s first 22-inch WSXGA+ DRD (Double Rate Driving) monitors

A 50% reduction in source driver integrated circuits by applying Double Rate Driving technology: 8ea g

4ea

Removal of gate driver integrated circuits by applying GIP technology

Application of optimum thin-film transistor structure for Double Rate Driving monitors

69) Development of the world s first 23W e-IPS monitors

Slim design: Reduces thickness by applying edge-mounted backlight: 35.7t g 17t

Reduces power consumption by 50% compared to conventional model by applying 4Lamp

Realization of high aperature ratio by applying UH-IPS technology

Reduction in the number of integrated circuits by applying 960ch source driver: 8ea g 6ea

Removal of gate driver integrated circuits by applying GIP technology

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To meet Energy Star 5.0 standards

70) Development of high efficiency backlight technology

Removal of DBDEF-D Sheet by increasing backlight luminance level by more than 30%

g development of high efficiency lamp and improvement of optics sheet optical efficiency

71) Development of GIP and high aperature ratio technology for QHD IPS model

Stable GIP output in QHD IPS models

Maximizing transmissivity by applying UH-IPS technology and asymmetric pixel design

72) Development of three-dimensional display technology using the shutter glasses method.

Realization of stable rate of 172Hz

Realization of 4port low voltage differential signaling frequencies at a rate of 400MHz

Realization of ODC (Over Driver Circuit) tuning of GTG 3.5ms which is optimum for three-dimensional display

73) Development of 17.1-inch wide-format slim (flat type) panel applying COG (Chip On Panel) chip, our largest slim (flat type) panel

Development of our largest size slim (flat type) model (previously, our largest model was the 15.4-inch wide-format)

Reduction in thickness : 6.5mm g 4.3mm

74) Development of new high resolution 101W model (1024x600, 1366x768)

Achieving higher resolution : 1024x576 g 1024x600, 1366x768

75) Development of world s first 17.3-inch HD+ LED panel for notebook computers

New size and resolution for 16:9 wide-format

Existing model: 17.1-inch WXGA+ 1400x900 / New model: 17.3-inch HD+ 1600x900

76) Development of 13.3-inch HD LED panel for notebook computers

New size and resolution for 16:9 wide-format

77) Development of world s first 14.0-inch HD+ LED panel for notebook computers

New size and HD+ resolution (1600x900) for 16:9 wide-format

78) Development of world s first 15.6-inch HD+ LED panel for notebook computers

First HD+ resolution (1600x900) for 16:9 wide-format

79) Development of world s first 15.6-inch FHD LED panel for notebook computers

First FHD resolution (1920x1080) for 16:9 wide-format

80) Development of the first Green PC models (13.3-inch, 14.0-inch, 15.6-inch)

First models applying Green product concept (halogen free, low power consumption)

81) Development of DRD (Double Rate Driving) technology applying COG (Chip on Glass)

Development of the first COG that applies DRD technology (a 50% reduction in the number of COG drive integrated circuits)

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82) Development of 10.1-inch SD (1024 x 600) model for netbooks

Improved resolution: 1024 x 576 g 1024 x 600

Reduction in cost by applying COG instead of COF

83) Development of 10.1-inch HD (1366 x 768) model for netbooks

Highest resolution among 10.1-inch models

Reduction in cost by applying GIP technology

84) Development of 17.1-inch WUXGA flat type model

Development of largest flat type model (previously, largest model was 15.4-inch)

The thinnest among 17.1-inch models

Reduction in thickness: 6.5t g 4.3t

85) Developments of 11.6-inch HD monitor for netbooks

Development of largest/ highest resolution monitor for netbooks

Reduction in cost by applying GIP technology

86) Development of low-cost 26-inch and 32-inch HD model for televisions

World s first monitor without a cover shield

Application of sheet type support side

Reduction in cost by applying low-cost single bottom covers for mold frames

87) Development of large-sized (42-inch/47-inch) edge type LED LCD model for televisions

Development of our first model for televisions applying edge type LED backlight (mass production commenced in September 2009)

Slim depth (11.9mm in thickness) & narrow bezel (18mm in thickness)

88) Development of world s first S/D-IC + Tcon merging technology applicable to television monitors

Minimizing size of printed circuit board by applying 1380ch S/D-IC + ASIC technology and removing ASIC chip

A 49% cost reduction in manufacturing circuits

89) Achieving a full product line-up for netbook monitors

A full product line-up that covers the full spectrum of netbook monitor sizes from 8.9-inch to 11.6-inch models

90) Development of our first flat type monitor for netbooks

Development of 11.6-inch flat type HD monitor

91) Development of new LED-applied model utilizing vertical LED array technology

Development of 15.6-inch HD model applying vertical
LED array technology (technology applied in existing models: horizontal LED array)

Reduction in power consumption and raw material costs

92) Development of world s first 21.5W FHD IPS monitor applying white LED backlight technology

Application of environmentally friendly components including white LED backlight and halogen free parts

Achievement of high luminance (more than 330nit) by applying high efficiency white LED backlight

A 100% sRGB coverage

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93) Development of world s first 27W QHD IPS monitor applying white LED backlight technology

Application of environmentally friendly components including white LED backlight and halogen free parts

Achievement of high luminance (more than 380nit) by applying high efficiency white LED backlight

A 100% sRGB coverage

Realization of high resolution (2560x1440)

Removal of gate driver integrated circuits by applying GIP (Gate In Panel) technology

94) Development of world s first 19-inch WXGA monitor applying DRD (Double Rate Driver)

A 50% reduction in the number of source driver integrated circuits by applying DRD (Double Rate Driving) technology

Removal of gate driver integrated circuits by applying GIP (Gate In Panel) technology

Optimization of TFT design structure for DRD (Double Rate Driver) technology

95) Development of world s first 22W e-IPS monitor applying GIP (Gate In Panel) technology

Achievement of high aperture ratio by applying UH-IPS technology

Reduction in the number of source driver integrated circuits by applying 960 channel chip (8eag6ea)

Removal of gate driver integrated circuits by applying GIP (Gate In Panel) technology

96) Development of world s first QHD new high resolution monitor (27W QHD)

Achievement of high resolution (2560 x 1440)

Maximization of aperture ratio applying UH-IPS technology and elimination of gate driver integrated circuits by applying GIP (Gate In Panel) technology

Achievement of high luminance and sRGB coverage of 100% applying high efficiency white LED

97) Development of world s first monitor applying GIP (Gate In Panel), DRD (Double Rate Driver) and I-VCOM monitor (185W HD)

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

Elimination of gate driver integrated circuits by applying GIP (Gate In Panel) technology

Elimination of DBEF Optical sheet by applying I-VCOM technology and optical efficiency improvement in backlight

98) Development of shutter glass type three-dimensional monitor with full high definition

172Hz operation frame rate

Highest data interface speed of over 400MHz in 4port LVDS interface and achievement of GTG 3.5ms by optimal tuning of ODC (Over Driving Circuit)

99) One layer vertical LED monitor development and reinforcement of monitor product line up (200W HD+, 215W FHD, 230W FHD)

Minimization of the number of LED PKG applying vertical array structure

Elimination of DBEF Sheet applying two-in-one LED PKG

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Slim design: optimization of mechanical structure

100) Development of world s first notebook monitor applying 2ea Sheet Backlight

Achieving cost competitiveness by switching from conventional 3~4ea sheet to 2ea complex sheet backlight (with the Diffuser Sheet eliminated)

[Achievements in 2010]

101) Development of 9.7-inch AH-IPS model for Apple s i-Pad.

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°)

102) Development of second Green PC products (13.3-inch, 14.0-inch and 15.6-inch in high-definition)

Thin and light; low electricity consumption thereby increasing battery life

Development of Company-led flat product market

103) Development of world s first TruMotion 480Hz product (47-inch and 55-inch in full high-definition)

World s first application of 240hz driving technology and scanning technology to achieve TruMotion 480Hz.

Achieving full high-definition for three-dimensional display panels using GPR technology

105) Development of our first large-sized display panels viewable in three-dimension using shutter glasses (42-inch, 47-inch,

55-inch in full high-definition)

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

106) 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 full high-definition)

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

107) Development of 42-inch and 47-inch full high-definition 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

108) Developing 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

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10. Customer Service

In order to highlight the importance of creating customer value, we have formulated a roadmap toward creating customer value and have shared this information with all of our employees. Through our Voice of Customer campaign, we have responded to customer feedback including complaints, suggestions, praises, enquiries and requests as soon as they were made and we have made efforts to change any negative feedback made by a customer into a positive feedback through such prompt response. In addition, in order to support our customers, we have established IPS camps and have cooperated with our customers to promote IPS technology. Furthermore, we have hosted Why LGD campaigns in order to provide superior products and services to our customers including in the areas of technology, quality, responsiveness, delivery and cost. We also monitor customer opinion through annual customer satisfaction surveys and customer interviews, and the results of such surveys and interviews are reflected in the performance evaluation of our executive officers.

11. Intellectual Property

As of March 31, 2010, we currently hold a total of 12,650 patents, including 5,806 in Korea, and 6,844 in other countries.

12. Environmental Matters

We are subject to strict environmental regulations and we may be subject to fines or restrictions that could cause our operations to be interrupted. Our manufacturing processes generate chemical waste, waste water and other industrial waste 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 industry 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 per fluoro compounds, or PFCs, and sulfur hexafluoride, or SF6, gases, by installing PFC abatement systems to meet voluntary emissions targets for the TFT-LCD industry by 2010. We installed PFC abatement systems at all of our production lines when the production facilities were being constructed. We also installed a SF6 abatement system in P1 in April 2005 and in P6 in December 2009 and we intend to install similar abatement systems in our other production facilities through implementation of Clean Development Mechanism, or CDM, projects. Our methodology for SF6 decomposition has been approved by the CDM Executive Board, an entity established by the parties to the United Nations Framework Convention on Climate Change, or UNFCCC, in February 2009. Our CDM project design document, or PDD, for such projects has been approved by the Korean government in December 2009, and has been validated by the SGS Group, which is certified as a designated operational entity for CDM projects, in February 2010. The PDD has been submitted to the CDM Executive Board and is currently awaiting its final validation.

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In addition, as of March 31, 2010, we were party to voluntary agreements, which reflect a coordinated energy conservation initiative between government and industry, with respect to our operation of P1 through P8, the Gumi module production plant and the Paju module production plant. In accordance with such agreements, we have implemented a variety of energy-saving measures in those facilities, including installation of energy saving devices and consulting with energy conservation specialists. We also established an overall greenhouse gas emissions inventory system for our domestic sites, which was verified by Lloyd s Register Quality Assurance, which is certified as the designated operational entity for CDM by the CDM Executive Board. 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 for the effective maintenance of environmental protection standards consistent with local industry practice, and 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 P7, 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. 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.

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 on July 1, 2006 and restricts the use of certain hazardous substances in the manufacture of electrical and electronic equipment. In June 2006, we became the first TFT-LCD panel manufacturer to be recognized as an internationally accredited RoHS testing laboratory by the European Union s German accreditation organization, EU TÜV SÜD. In October 2007, we became the first TFT-LCD company to be certified the International Electrotechnical Commission-Hazardous Substance Process Management (IECQ-HSPM) QC 080000, which is an international system requirements document intended to help organizations manage hazardous substances in their components and products through hazardous substance process management, and demonstrates the organization s conformity with RoHS.

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Furthermore, we are operating a green purchasing system, which excludes the hazardous materials at the purchasing stage. This system has enabled us to comply with various environmental legislations of hazardous substances, including the European Union RoHS.

13. Financial Information

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

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

Description	As of March 31, 2010	As of December 31, 2009
Current Assets	8,617,176	8,226,142
Quick Assets	6,900,799	6,558,362
Inventories	1,716,377	1,667,780
Non-current Assets	12,149,434	11,477,335
Investments	322,984	409,145
Tangible Assets	10,395,960	9,596,497
Intangible Assets	356,188	352,393
Other Non-current Asset	1,074,302	1,119,300
Total Assets	20,766,610	19,703,477
Current Liabilities	6,845,190	6,495,071
Non-current Liabilities	3,400,757	3,168,657
Total Liabilities	10,245,947	9,663,728
Capital Stock	1,789,079	1,789,079
Capital Surplus	2,251,113	2,251,113
Capital Adjustment		
Other Accumulated Comprehensive Income (Loss)	(55,731)	(51,005)
Retained Earnings	6,536,202	6,050,562
Total Shareholder s Equity	10,520,663	10,039,749

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Description	For the three months ended March 31, 2010	For the three months ended March 31, 2009
Sales Revenues	5,876,347	3,542,309
Operating Income (Loss)	789,423	(317,280)
Income (Loss) from continuing operation	648,625	(346,633)
Net Income (Loss)	648,625	(346,633)
Earnings (loss) per share basic	1,814	(969)
Earnings (loss) per share diluted	1,732	(969)

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

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

Description	As of March 31, 2010	As of December 31, 2009
Current Assets	8,308,226	7,973,355
Quick Assets	6,919,029	6,687,050
Inventories	1,389,197	1,286,305
Non-current Assets	12,002,751	11,283,512
Investments	1,131,151	1,188,857
Tangible Assets	9,532,562	8,730,263
Intangible Assets	339,755	340,885
Other Non-current Asset	999,283	1,023,507
Total Assets	20,310,977	19,256,867
Current Liabilities	6,484,684	6,120,663
Non-current Liabilities	3,357,019	3,102,006
Total Liabilities	9,841,703	9,222,669
Capital Stock	1,789,079	1,789,079
Capital Surplus	2,251,113	2,251,113
Capital Adjustment		
Other Accumulated Comprehensive Income (Loss)	(2,273)	(17,366)
Retained Earnings	6,431,355	6,011,372
Total Shareholder s Equity	10,469,274	10,034,198

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Description		For the three months ended March 31, 2010	For the three months ended March 31, 2009
Sales Revenues		5,840,744	3,426,949
Operating Income (Loss)		704,089	(408,456)
Income(Loss) from continuing operation		599,044	(433,567)
Net Income (Loss)		599,044	(433,567)
Earnings (loss) per share	basic	1,674	(1,212)
Earnings (loss) per share	diluted	1,596	(1,212)

C. Consolidated subsidiaries

Company	Primary Business	Location	Ownership Ratio
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 Co., Ltd.	Sales	Singapore	100%
LG Electronics (Nanjing) Plasma Co., Ltd.	Manufacturing and sales	China	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%

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D. Status of equity investment

Status of equity investment as of March 31, 2010:

Company	Paid-in Capital		Equity Investment Date	Ownership Ratio
LG Display America, Inc.	US$	5,000,000	September 24, 1999	100%
LG Display Germany GmbH	EUR	960,000	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.	CNY	1,807,914,180	July 15, 2002	100%
LG Display Shanghai Co., Ltd.	CNY	4,138,650	January 16, 2003	100%
LG Display Poland Sp. zo.o.	PLN	410,327,700	September 6, 2005	80%
LG Display Guangzhou Co., Ltd.	CNY	895,904,754	August 7, 2006	90%
LG Display Shenzhen Co., Ltd.	CNY	3,775,250	August 28, 2007	100%
LG Display Singapore Co., Ltd.	SGD	1,400,000	January 12, 2009	100%
LG Electronics (Nanjing) Plasma Co., Ltd.	CNY	206,918,375	December 29, 2009	100%
L&T Display Technology (Xiamen) Co., Ltd.	CNY	41,785,824	January 5, 2010	51%
L&T Display Technology (Fujian) Co., Ltd.	CNY	59,197,026	January 5, 2010	51%
Suzhou Raken Technology Co., Ltd.	CNY	472,319,351	October 7, 2008	51%
Paju Electric Glass Co., Ltd.	(Won)	14,400,000,000	March 25, 2005	40%
TLI Co., Ltd.	(Won)	14,073,806,250	May 16, 2008	13%
AVACO Co., Ltd.	(Won)	6,172,728,120	June 9, 2008	20%
Guangzhou Vision Display Technology Research and Development Limited	CNY	25,000,000	July 11, 2008	50%
NEW OPTICS., Ltd.	(Won)	12,199,600,000	July 30, 2008	42%
ADP Engineering 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$	12,285,021.96	November 3, 2009	26%
Global OLED Technology LLC	US$	61,250,000	December 23, 2009	49%
LB Gemini New Growth Fund No.16	(Won)	1,800,000,000	December 7, 2009	31%
Can Yang Investment Ltd.	CNY	73,729,230	January 27, 2010	18%

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14. Audit Information

A. Audit Service

(Unit: In millions of Won)

Description	2010(Q1)	2009	2008
Auditor	KPMG Samjong	KPMG Samjong	KPMG Samjong
Activity	Audit by independent auditor	Audit by independent auditor	Audit by independent auditor
Compensation*	850 (585)**	700 (540)***	750 (750)****
Time required	2,831	17,569	23,100

* Compensation amount is for the entire fiscal year.
** Compensation amount in ( ) is for K-IFRS audit, 20-F filing and SOX404 audit.
*** Compensation amount in ( ) is for US-GAAP audit, 20-F filing and SOX404 audit.
**** Compensation amount in ( ) is for US-GAAP audit and review and SOX404 audit.

B. Non-audit Service

(Unit: In millions of Won)

Fiscal Year	Independent Auditor	Contract Date	Detail	Compensation
2010	KPMG Samjong	May 6, 2010	Agreed procedure regarding Company B	106

15. 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 directors has or had any business transaction or any related party transactions with us. Our outside directors are comprised of four persons including three who are members of our audit committee. Of the remaining outside directors, Dongwoo Chun is currently serving as Chairman of the Outside Director Nomination and Corporate Governance Committee. As of March 31, 2010, our non-outside directors were comprised of the chief executive officer, the chief financial officer and a member who was nominated by LG Electronics.

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B. Members of the Board of Directors

Members of the Board of Directors (as of March 31, 2010)

Name	Date of birth	Position	Business experience	First elected
Young Soo Kwon	February 6, 1957	Representative Director, President and Chief Executive Officer	President and Chief Financial Officer of LG Electronics	January 1, 2007
James (Hoyoung) Jeong	November 2, 1961	Director and Chief Financial Officer	Executive Vice President and Chief Financial Officer of LG Electronics	January 1, 2008
Do Hyun Jung	April 9, 1957	Director	Chief Financial Officer and Executive Vice President, LG Electronics	March 12, 2010
Tae Sik Ahn	March 21, 1956	Outside Director	Dean, College of Business Administration and Graduate School of Business, Seoul National University	March 12, 2010
Dongwoo Chun	January 15, 1945	Outside Director	Outside Director, Pixelplus	March 23, 2005
Yoshihide Nakamura	October 22, 1942	Outside Director	President of ULDAGE, Inc.	February 29, 2008
William Y. Kim	June 6, 1956	Outside Director	Partner of Ropes & Gray LLP	February 29, 2008

C. Committees of the Board of Directors

Committees of the Board of Directors (as of March 31, 2010)

Committee	Composition	Member
Audit Committee	3 outside directors	Tae Sik Ahn, Yoshihide Nakamura, William Y. Kim
Outside Director Nomination and Corporate Governance Committee	1 non-outside director and 2 outside directors	Do Hyun Jung, Dongwoo Chun, William Y. Kim
Remuneration Committee	1 non-outside director and 2 outside directors	Do Hyun Jung, Dongwoo Chun, Tae Sik Ahn

16. Information Regarding Shares

A. Total Number of Shares

(1) Total number of shares authorized to be issued (as of March 31, 2010): 500,000,000 shares.

(2) Total shares issued and outstanding (as of March 31, 2010): 357,815,700 shares.

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B. Shareholder list

(1) Largest shareholder and related parties:

(Unit: share)

Name	Relationship	As of March 31, 2010
LG Electronics	Largest Shareholder	135,625,000 (37.9%)
Young Soo Kwon	Related Party	23,000 (0.0%)

(2) Shareholders who owned 5% or more of our shares as of March 31, 2010:

Beneficial Owner	Number of Shares of Common Stock	Percentage
LG Electronics	135,625,000	37.9%

17. Directors and Employees

A. Directors

(1) Remuneration for directors in 2010 (Q1)

(Unit: In millions of Won)

Classification	Amount paid	Approved payment amount at shareholders meeting	Per capita average remuneration paid****	Remarks
Directors who are executive officers (2 persons) **	1,156		578	
Directors nominated by LG Electronics (2 persons)		8,500		
Outside Directors (5 persons)***	59		12	-Three of our outside directors are members of the audit committee.

* Period: January 1, 2010 ~ March 31, 2010

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* Amount paid is calculated on the basis of actually paid amount except accrued salary and severance benefits
** Amount paid includes remuneration for Simon (Shin Ik) Kang, who resigned on March 12, 2010.
*** Amount paid to outside directors includes remuneration for Ingoo Han, whose term expired on March 12, 2010.
**** Per capita average remuneration paid is calculated by dividing total amount paid by the average number of non-outside/outside directors for the three months ended March 31, 2010.

(2) Stock option

The following table sets forth certain information regarding our stock options as of March 31, 2010.

(Unit: Won, Stock)

Executive Officers (including Former Officers)	Grant Date	Exercise Period From	Exercise Period To	Exercise Price	Number of Granted Options	Number of Exercised Options	Number of Cancelled Options*	Number of Exercisable Options*
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

* 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.

B. Employees

As of March 31, 2010, we had 25,711 employees (excluding our executive officers). The total amount of salary paid to our employees for the three months ended March 31, 2010 based on cash payment was (Won)297,424 million. The following table provides details of our employees as of March 31, 2010:

(Unit: person, in millions of Won)

Details of Employees*						
Office Worker	Production Worker	Others	Total	Total Salary in 2010 (Q1)**	Per Capita Salary***	Average Service Year
8,721	16,990		25,711	297,424	11.57	4.1

* Directors and executive officers have been excluded.

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** Welfare benefit and retirement expense have been excluded. Total welfare benefit provided to our employees for the three months ended March 31, 2010 was (Won)53,891 million and the per capita welfare benefit provided was (Won)2.1 million.
** Based on cash payment.
** Includes incentive payments to employees who have transferred from our affiliated companies.
*** Per Capita Salary is calculated using the average number of employees (25,108) for the three months ended March 31, 2010.

18. Subsequent Event

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. The remaining US$66 million matures in 2012 at 116.77% of their principal amount. Accordingly, the number of shares issuable upon conversion changed from 10,680,811 to 1,281,697.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

March 31, 2010

(With Independent Auditors Review Report Thereon)

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Independent Auditors Review Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors

LG Display Co., Ltd.:

We have reviewed the accompanying condensed consolidated statement of financial position of LG Display Co., Ltd. and subsidiaries (the Group) as of March 31, 2010, and the related condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2010. Management is responsible for the preparation and fair presentation of these condensed financial statements. Our responsibility is to issue a report on these condensed consolidated interim financial statements based on our review. The accompanying condensed consolidated statements of comprehensive income, changes in equity and cash flows for the three-month period ended March 31, 2009, presented for comparative purposes, were not reviewed.

We conducted our review in accordance with the Review Standards for Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea. These standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review consists principally of inquiries of company personnel and analytical procedures applied to financial data and, thus, provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

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.

We have audited the consolidated statement of financial position as of December 31, 2009, not accompanying this review report, prepared and presented in accordance with accounting principles generally accepted in the Republic of Korea (not Korean International Financial Reporting Standards), and our report thereon, dated February 16, 2010, expressed an unqualified opinion. In addition, we have reviewed the consolidated statements of income, changes in equity and cash flows for the three-month period ended March 31, 2009, not accompanying this review report, prepared and presented in accordance with accounting principles generally accepted in the Republic of Korea (not Korean International Financial Reporting Standards), in accordance with the Review Standards for Semiannual Financial Statements established by the Securities and Futures Commission of the Republic of Korea and our review report thereon expressed that nothing had come to our attention that caused us to believe that the consolidated interim financial statements referred to above were not presented fairly in all material respects in accordance with accounting principles generally accepted in the Republic of Korea.

As discussed in note 14 to the condensed consolidated interim financial statements, the Group is under investigations by Korea Fair Trade Commission in Korea, European Commission and antitrust authorities in other countries with respect to possible anti-competitive activities in the LCD industry. In addition, LG Display Co., Ltd. along with its subsidiaries has been named as defendants in a number of federal class actions in the United States and Canada and related individual lawsuits based on alleged antitrust violations concerning the sale of LCD panels, and LG Display Co., Ltd. and certain of its officers and directors have been named as defendants in a federal class action in the United States by shareholders of LG Display Co., Ltd. alleging violations of the U.S. Securities Exchange Act of 1934. 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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As discussed in note 2, the Group prepared the condensed interim financial statements in accordance with accounting policies management plans to adopt for its first annual financial statements in accordance with Korean International Financial Reporting Standards. The accounting policies applied for the interim financial statements may be changed by management as considered necessary in the course of preparation of its first annual financial statements in accordance with Korean International Financial Reporting Standards for the year ending December 31, 2010.

/s/ KPMG Samjong Accounting Corp.

Seoul, Korea

April 23, 2010

This report is effective as of April 23, 2010, 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 there is a possibility that the above review report may have to be revised 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, 2010 and December 31, 2009

(In millions of Won)	Note		2010	2009
Assets				
Cash and cash equivalents	10	(Won)	1,144,236	817,982
Deposits in banks	10		2,000,000	2,500,000
Trade accounts and notes receivable, net	10, 13		3,266,577	2,950,245
Other accounts receivable, net	10		224,679	128,459
Other current financial assets	10		8,328	2,737
Inventories	5		1,716,377	1,667,780
Other current assets			256,979	158,939
Total current assets			8,617,176	8,226,142
Investments in equity accounted investees	6		294,224	282,450
Other non-current financial assets			44,659	145,970
Deferred tax assets	19		863,856	926,219
Property, plant and equipment, net	7, 17		10,395,960	9,596,497
Intangible assets, net	8, 17		356,188	352,393
Other non-current assets			194,547	173,806
Total non-current assets			12,149,434	11,477,335
Total assets		(Won)	20,766,610	19,703,477
Liabilities				
Trade accounts and notes payable	10	(Won)	2,209,682	2,031,422
Current financial liabilities	9, 10		1,335,303	2,007,332
Other accounts payable	10		2,198,249	1,596,135
Accrued expenses			328,106	335,491
Income tax payable			216,287	145,326
Provisions			318,676	327,364
Other current liabilities			238,887	52,001
Total current liabilities			6,845,190	6,495,071
Non-current financial liabilities	9, 10		2,300,535	2,076,160
Deferred tax liabilities	19		7	
Non-current provisions			10,256	5,611
Employee benefits	12		118,090	84,297
Long-term advance received	13		565,400	583,800
Other non-current liabilities			406,469	418,789
Total non-current liabilities			3,400,757	3,168,657
Total liabilities			10,245,947	9,663,728
Equity				
Share capital			1,789,079	1,789,079

Share premium		2,251,113	2,251,113
Reserves		(55,731)	(51,005)
Retained earnings		6,520,567	6,050,562
Total equity attributable to equity holders of the Company		10,505,028	10,039,749
Non-controlling interest		15,635	
Total equity		10,520,663	10,039,749
Total liabilities and equity	(Won)	20,766,610	19,703,477

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statement of Comprehensive Income

(Unaudited)

For the three-month periods ended March 31, 2010 and 2009

(In millions of Won, except earnings per share)	Note		2010	2009
Revenue		(Won)	5,876,347	3,542,309
Cost of sales			(4,639,654)	(3,649,714)
Gross profit (loss)			1,236,693	(107,405)
Other income	11		244,822	575,155
Selling expenses			(190,334)	(141,289)
Administrative expenses			(119,492)	(63,788)
Research and development expenses			(136,650)	(98,895)
Other expenses	11		(245,616)	(481,058)
Results from operating activities			789,423	(317,280)
Finance income			114,637	134,465
Finance costs			(60,893)	(308,532)
Other non-operating income (loss), net			(1,591)	(95)
Equity income on investments, net			156	3,432
Profit (loss) before income tax			841,732	(488,010)
Income tax expense (benefit)	19		193,107	(141,377)
Profit (loss) for the period			648,625	(346,633)
Other comprehensive income (loss)				
Net change in fair value of available-for-sale financial assets			18,455	(5,522)
Net change in fair value of cash flow hedges transferred to profit or loss				2,534
Defined benefit plan actuarial gain or loss			(153)	1,519
Cumulative translation differences			(18,346)	(7,138)
Income tax on other comprehensive income			(5,351)	505
Other comprehensive income (loss) for the period, net of income tax			(5,395)	(8,102)
Total comprehensive income (loss) for the period		(Won)	643,230	(354,735)
Profit (loss) attributable to:				
Owners of the Company			649,066	(346,633)
Non-controlling interest			(441)	
Profit (loss) for the period		(Won)	648,625	(346,633)
Total comprehensive income (loss) attributable to:				
Owners of the Company			644,187	(354,735)
Non-controlling interest			(957)	
Total comprehensive income (loss) for the period		(Won)	643,230	(354,735)

Earning (loss) per share				
Basic earnings (loss) per share	20	(Won)	1,814	(969)
Diluted earnings (loss) per share	20	(Won)	1,732	(969)

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited)

For the three-month periods ended March 31, 2010 and 2009

(In millions of Won)		Share capital	Share premium	Hedging reserve	Fair value reserve	Translation reserve	Retained earnings	Minority interest	Total equity
Balances at January 1, 2009	(Won)	1,789,079	2,251,113	1,580			5,126,135		9,167,907
Total comprehensive loss for the period									
Loss for the period							(346,633)		(346,633)
Other comprehensive income (loss)									
Net change in fair value of available-for-sale financial assets					(4,307)				(4,307)
Net change in fair value of cash flow hedges transferred to profit or loss, net of tax				1,920					1,920
Defined benefit plan actuarial gain							1,519		1,519
Cumulative translation differences						(7,234)			(7,234)
Total other comprehensive income (loss)				1,920	(4,307)	(7,234)	1,519		(8,102)
Total comprehensive income (loss) for the period	(Won)			1,920	(4,307)	(7,234)	(345,114)		(354,735)
Transaction with owners, recorded directly in equity									
Dividends to equity holders							(178,908)		(178,908)
Balances at March 31, 2009	(Won)	1,789,079	2,251,113	3,500	(4,307)	(7,234)	4,602,113		8,634,264
Balances at January 1, 2010	(Won)	1,789,079	2,251,113	(51,005)			6,050,562		10,039,749
Total comprehensive income (loss) for the period									
Profit (loss) for the period							649,066	(441)	648,625
Other comprehensive income									
Net change in fair value of available-for-sale financial assets					13,910				13,910
Defined benefit plan actuarial loss							(153)		(153)
Cumulative translation differences						(18,636)		(516)	(19,152)