LG Display Co., Ltd.
Form 6-K
November 24, 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 November 2010

LG Display Co., Ltd.

(Translation of Registrant s name into English)

65-228 Hangangno 3-ga, Yongsan-gu, Seoul 140-716, 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 September 30, 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 AND CERTAIN NUMBERS WERE ROUNDED 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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17. Directors and Employees

A. Directors
B. Employees

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

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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 LG Display Co., Ltd. in English.

Our principal executive office is located at 65-228 Hangangno 3-ga, Yongsan-gu, Seoul 140-716, Republic of Korea, and our telephone number is +82-2-3777-1114. Our website address is http://www.lgdisplay.com.

B. Domestic credit rating

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

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C. Capitalization

(1) Change in capital stock (as of September 30, 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 ((Won)34,500 per share)

** ADSs offering: 1,715,700 shares ((Won)34,500 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 September 30, 2010)

(Unit: Won, Share)

Item		Content
Issuing date		April 18, 2007
Maturity (Redemption date after put option exercise)		April 18, 2012 (April 18, 2010)
Face Amount		(Won)513,480,000,000
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*
Redemption	Face Amount	(Won)451,862,400,000
Conversion	Face Amount	None
	Number of converted shares	None
Outstanding	Face Amount	(Won)61,617,600,000
	Number of convertible shares	1,281,697 shares if all are converted*
Remarks		- Registered form - Listed on Singapore Exchange

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* Conversion price was adjusted from (Won)49,070 to (Won)48,760 and the number of convertible shares was adjusted from 10,464,234 to 10,530,762 following the approval by the shareholders of a cash dividend of (Won)750 per share at the annual general meeting of shareholders on February 29, 2008. Conversion price was further adjusted from (Won)48,760 to (Won)48,251 and the number of shares issuable upon conversion was adjusted from 10,530,762 to 10,641,851 following the approval by the shareholders of a cash dividend of (Won)500 per share at the annual general meeting of shareholders on March 13, 2009. Conversion price was further adjusted from (Won)48,251 to (Won)48,075 and the number of shares issuable upon conversion was adjusted from 10,641,851 to 10,680,811 following the approval by the shareholders of a cash dividend of (Won)500 per share at the annual general meeting of shareholders on March 12, 2010. In April 2010, certain holders of our US$550 million convertible bonds due 2012 exercised their put option for an aggregate principal amount of US$484 million and were repaid at 109.75% of their principal amount. 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 September 30, 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

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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.
* 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 September 30, 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 September 30, 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 and monitors that utilize our LCD panels. Because our OLED business represents an extremely small portion of our assets and revenues, only our LCD business has been categorized as a reporting business segment.

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Financial highlights by business (based on K-IFRS)

2010 (Q1~Q3)	(Unit: In billions of Won) LCD business
Sales Revenue	19,028
Gross Profit	3,337
Operating Profit	1,697

B. Industry

(1) Industry characteristics and growth potential

TFT-LCD technology is one of the widely used technologies in the manufacture of flat panel displays, and the demand for flat panel displays is growing. The flat panel display industry is characterized by entry barriers due to rapidly evolving technology, capital-intensive characteristics, and the significant investments required to achieve economies of scale, among other factors. There is intense competition among the players in the industry, and the industry s production capacity, including ours, is continually increasing.

The demand for LCD panels for notebook computers and desktop monitors has grown, to a degree, in tandem with the growth in the information technology industry. The demand for LCD panels for television sets has been growing as digital broadcasting is becoming more common and as LCD television has come to play an important role in the digital display market. In addition, markets for small- to medium-sized LCD panels, such as those used in mobile phones, 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 increased 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 production capacity, the average selling prices of display panels may decline. Conversely, demand surges and inability of supply to meet such demand may lead to price increases.

(3) Market conditions

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.

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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.

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~Q3)**	2010 (H1)**	2009***	2008***
Panels for Notebook Computers****	30.8%	30.6%	30.3%	29.6%
Panels for Monitors	26.5%	24.5%	23.9%	17.7%
Panels for Televisions	24.0%	23.3%	24.4%	19.4%
Total	25.4%	24.7%	25.2%	20.6%

* Source: Q3 2010 Large Area Shipment Report published by DisplaySearch.
** Based on TFT-LCD panels that are 9 inches or larger.
*** Based on 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.

As a leading technology innovator in the display industry, we continue to focus on developing new technologies and products, including in the categories of 3D, touch screens and next generation displays. With respect to 3D technology, we reduced the degree of crosstalk, or the degree of 3D image overlapping, to less than 1% (which is less than what the human eye can perceive). Our 3D technology was internationally recognized when our 47-inch full HD 3D television utilizing polarized glasses was awarded the 2010 Display of the Year Gold Award by the Society for Information Display. In addition, we have shown that we are technologically a step ahead of the competition by developing products such as 21.5-inch full HD glossy touch screen monitors, 13.3-inch on-cell touch screen LCDs, 3-inch OLEDs, 10.1-inch flexible LCDs and 2.6mm thin televisions. By the end of 2010, we are also expecting to commence mass-production of 19-inch flexible e-papers and 9.7-inch color e-papers.

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Moreover, we 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 2009 and 2010, we entered into separate long-term supply agreements with Apple Inc. to supply display panels for five years.

C. New businesses

In order to increase our production capacity to meet the rising market demand for TFT-LCD products, we expanded P8, our eighth-generation panel fabrication facility in Paju, Korea, by constructing P8E, which commenced mass production in May 2010. In addition, in order to meet the rising market demand, we decided in March 2010 to further expand P8 by investing in P8E+. In April 2010, we also decided to invest in a new production facility.

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

We are making an effort to increase our competitiveness 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. 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 LIG ADP Co., Ltd. (formerly 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.

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In July 2008, Skyworth-RGB Electronics Co., Ltd. and we 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 more competitive both in terms of technology and price.

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, we signed an investment agreement and a joint venture agreement in November 2009 with the City of Guangzhou, China, to build an eighth-generation panel fabrication facility in China.

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

In December 2009, we 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 investment. In May 2010, we invested an additional (Won)6.5 billion in the fund which increased our total investment amount to (Won)8.3 billion. The additional investment did not change our limited partnership interest in the fund, which remained at 30.6%.

In order to establish a production base for LCD modules, LCD television sets and LCD monitors, we entered into a joint investment agreement with Top Victory Investment Ltd. in January 2010 and established L&T Display Technology (Xiamen) Ltd. and L&T Display Technology (Fujian) Ltd. We invested (i) (Won)7.1 billion and acquired a 51% equity interest in L&T Display Technology (Xiamen) Ltd. and (ii) (Won)10.1 billion and acquired a 51% equity interest in L&T Display Technology (Fujian) Ltd.

In May 2010, we completed the acquisition of the LCD module division of LG Innotek Co., Ltd. Through this acquisition, we expect to improve our module manufacturing process and simplify our supply chain which will increase our efficiency and competitiveness.

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In August 2010, in order to strengthen our competitiveness in the LED backlight LCD market, we entered into a joint investment agreement with Everlight Electronics Co., Ltd. and AmTRAN Technology Co., Ltd. and established Eralite Optoelectronics (Jiangsu) Co., Ltd., a company that specializes in LED packaging and manufacturing, in Suzhou, China. We invested US$4 million and acquired a 20% equity interest in Eralite Optoelectronics (Jiangsu) Co., Ltd.

In September 2010, in order to strengthen our OLED business, we acquired a 20% equity interest in YAS Co., Ltd., which develops and manufactures OLED deposition equipment components, at a purchase price of (Won)10 billion.

3. Major Products and Raw Materials

A. Major products in 2010 (Q1~Q3)

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	17,711 (93.1%)
		TFT-LCD (Korea*)	Panels for Notebook Computer, Monitor, Television, etc	LG Display	1,317 (6.9%)
Total					19,028 (100%)

* Based on ship-to-party.
** Period: January 1, 2010 ~ September 30, 2010.

B. Average selling price trend of major products

The average selling prices of LCD panels substantially decreased during the third quarter of 2010 compared to the second quarter of 2010 and may continue to fluctuate due to imbalances in supply and demand.

(Unit: US$ / m^2)

Description	2010 Q3	2010 Q2	2010 Q1	2009 Q4
TFT-LCD panel	778	863	838	809

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

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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	Raw Materials	Glass	LCD panel manufacturing	3,093	25.38%	Samsung Corning Precision Glass Co., Ltd., Nippon Electric Glass Co., Ltd., etc.
		Backlight		3,820	31.35%	Heesung Electronics Ltd., etc.
		Polarizer		1,740	14.28%	LG Chem, etc.
		Others		3,530	28.99%	
Total				12,183	100%	

* Period: January 1, 2010 ~ September 30, 2010.
** Based on separate K-IFRS.

4. Production and Equipment

A. Production capacity and calculation

(1) Calculation method of production capacity

Q1~Q3: Maximum monthly input capacity during Q1~Q3 multiplied by number of months (9 months).

Year: Maximum monthly input capacity during the year multiplied by number of months (12 months).

(2) Production capacity

(Unit: 1,000 Glass sheets)

Business area	Items	Business place	2010 (Q1~Q3)	2009	2008
TFT-LCD	TFT-LCD	Gumi, Paju	5,626	6,219	3,941

* 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~Q3)	2009	2008
TFT-LCD	TFT-LCD	Gumi, Paju	4,807	5,231	3,514

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

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(2) Utilization ratio

(Unit: Hours)

Business place (area)	Available working hours of 2010 (Q1~Q3)	Actual working hours of 2010 (Q1~Q3)	Average utilization ratio
Gumi (TFT-LCD)	6,552 (24 hours x 273 days)	6,552 (24 hours x 273 days)	100.0%
Paju (TFT-LCD)	6,552 (24 hours x 273 days)	6,552 (24 hours x 273 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)4.5 trillion to (Won)5.0 trillion in 2010. Such amount is subject to change depending on business conditions and market environment.

5. Sales

A. Sales performance

(Unit: In billions of Won)

Business area	Sales types	Items (Market)		2010 (Q1~Q3)*	2009*	2008**
TFT-LCD	Products, etc.	TFT-LCD	Overseas	17,711	18,833	15,200
			Korea***	1,317	1,205	1,064
			Total	19,028	20,038	16,264

* Based on K-IFRS.
** Based on Korean GAAP.
*** Based on ship-to-party.

B. Sales route and sales method

(1) Sales organization

As of September 30, 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.

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(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 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 categories of LED and 3D televisions.

To diversify our market in the mobile business segment, including products such as mobile phone (including smart phone), smartbook, car navigation, e-book, aviation and medical 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.

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

B. Risk management

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

7. Derivative Contracts

A. Currency risks

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

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

Interest on borrowings is denominated in the currency of the borrowing. Generally, borrowings are denominated in currencies that match the cash flows generated by our underlying operations, primarily in Won and U.S. dollar.

In respect of other monetary assets and liabilities denominated in foreign currencies, we ensure that our net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, when necessary, to address short-term imbalances. In addition, we also adjust the factoring volumes of foreign currency denominated receivables and utilize usances as means of settling accounts payables relating to capital expenditures for our facilities, in response to currency fluctuations.

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The following table shows the net fair value of forward exchange contracts used as economic hedges of monetary assets and liabilities in foreign currencies as of the dates indicated:

		(Unit: In millions of Won)
	As of September 30, 2010	As of December 31, 2009
Net Fair value		
Financial assets (liabilities)	(Won) 7,019	2,674

B. Interest rate risks

Our exposure to interest rate risks relates primarily to our long-term debt obligations. To the extent necessary, we hedge our interest rate risks by entering into interest swap contracts. As of September 30, 2010, we had no interest swap contracts outstanding. The fair value of our interest rate swaps as of December 31, 2009 is as follows:

		(Unit: In millions of Won)
Type		As of December 31, 2009
Loss on valuation of interest rate swap	(Won)	3,699
Financial liabilities		3,699

8. Major contracts

In 2009 and 2010, we entered into separate long-term supply agreements with Apple Inc. to supply LCD panels for 5 years. We have received long-term advances from Apple Inc. in the amount of US$580 million in connection with these agreements, which will be offset as consideration for products supplied to Apple Inc. Furthermore, the Industrial Bank of Korea provided us with a payment guarantee in the amount of US$100 million relating to the long-term advances received from Apple Inc.

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9. Research & Development

A. Summary of R&D expenses

(Unit: In millions of Won)

Account		2010* (Q1~Q3)	2009*	2008**
	Material Cost	420,905	400,467	302,445
	Labor Cost	207,951	191,507	128,041
	Depreciation Expense	62,223	89,459	21,679
	Others	79,162	92,905	49,027
	Total R&D Expense	770,241	774,338	501,192
	Selling & Administrative Expenses	185,508	168,081	148,037
Accounting Treatment	Manufacturing Cost	503,907	505,582	353,155
	Development Cost (Intangible Assets)	80,826	100,675	
R&D Expense / Sales Ratio [Total R&D Expense÷Sales for the period×100]		4.0%	3.8%	3.2%

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

B. R&D achievements

[Achievements in 2008]

1) 42FHD Ultra-Slim LCD television development

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

2) 37FHD COF adoption LCD television development

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

3) CCFL scanning backlight technology development

Achieve 6ms MPRT from 8ms

4) 24WUXGA monitor model development applying RGB LED backlight

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

5) 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)

6) 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

7) Notebook computer model development applying RGB LED backlight

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

8) Free form LCD development (Elliptical, Circle)

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

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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.

9) 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

10) New liquid crystal development

CR: Up 5% compared with the MP level

Material cost is similar to the MP material

11) 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%

12) 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 1level base, 552Hrs, 720Hrs g 1,392Hrs, 2,064Hrsh

13) LED backlight 47FHD television model in development

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

14) 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

15) 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

16) 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+)

17) 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)

18) Notebook model development applying 0.3t glass

Thin & Light model development applying 0.3t glass

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19) 8.9-inch small-sized notebook (netbook) model development

Development of minimum size notebook model for improved portability

20) 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

21) 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)

22) 42FHD super narrow bezel LCD television development

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

23) 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

24) 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

25) LCM rotation circuit development

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

26) Small- to medium-sized television model development

To meet increased demand for secondary television sets

19/22/26 inch model development

27) 55FHD television model development

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

28) Development of television model applying GIP+TRD technology

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

29) One PCB structure development

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

30) 42FHD Gate Single Bank technology development

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

31) 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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32) 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

33) 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 aspect ratio, more than 2.07 million pixel and FHD Resolution

34) 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

35) 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]

36) 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

37) 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

38) 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

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

Development of Direct thicker LED model MP

Realization of TM240Hz

40) 240Hz driving technology development

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

41) 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%

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42) Development of Ez (Easy) Gamma technology

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

43) Development of 22-inch White+ technology

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

44) 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

45) 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

46) 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

47) 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

48) 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 technology

49) 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

50) 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

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51) 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 aperture 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

To meet Energy Star 5.0 standards

52) 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

53) Development of GIP and high aperture ratio technology for QHD IPS model

Stable GIP output in QHD IPS models

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

54) 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

55) 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

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

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

57) 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

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

New size and resolution for 16:9 wide-format

59) 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

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

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

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

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

62) 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)

63) 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)

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

Improved resolution: 1024 x 576g1024 x 600

Reduction in cost by applying COG instead of COF

65) 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

66) 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

67) Developments of 11.6-inch HD monitor for netbooks

Development of largest/ highest resolution monitor for netbooks

Reduction in cost by applying GIP technology

68) 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

69) 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)

70) 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

71) 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

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72) Development of our first flat type monitor for netbooks

Development of 11.6-inch flat type HD monitor

73) 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

74) 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

75) 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 technology

76) 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 technology

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

77) Development of world s first 22W e-IPS monitor applying GIP 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 technology

78) 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 technology

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

79) Development of world s first monitor applying GIP, 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 technology

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

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80) 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)

81) 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

Slim design: optimization of mechanical structure

82) 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]

83) 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°)

84) 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

85) 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.

50% reduction in source driver integrated circuits (from 16ea to 8ea) by applying 1 gate 1 drain technology

86) World s first full high-definition 47-inch three-dimensional display panels using Glass Patterned Retarder (GPR) technology

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

87) 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

88) 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

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89) 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

90) Development of intra interface technology for large-sized, high resolution, high frequency display panels

Improved data transmission rate (from 660Mbps to 1.6Gbps)

Developing slim PCBs by decreasing the number of transmission lines

91) Development of our first 21.5-inch and 26-inch full high-definition Edge LED products

Application of 21.5-inch, 26-inch full high-definition TV LED BL and mid-sized full high-definition model Slim TCON (176Pin g 88Pin)

92) Development of our first 32 high-definition Edge LED product

Application of 32-inch high-definition TV Edge LED BL

93) Development of our first 37-inch full high-definition M240Hz product

Development of 37-inch full high-definition 240Hz panel. Development and mass production of MEMC 240Hz with TCON model.

94) Development of 240Hz panel for LG Electronics Borderless TV

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

95) Development of the world s first slim 23W full high-definition monitor in IPS mode

Slim design by applying slim-type LED backlight (thickness: 14.5t g 11.5t)

Cost saving by applying low voltage liquid crystal

Removal of gate driver integrated circuits by applying GIP technology

96) Development of the world s first slim 185W high-definition monitor in TN mode

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

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

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

Removal of gate driver integrated circuits by applying GIP technology

97) Development of 42-inch, 47-inch and 55-inch full high-definition monitors applying low cell gap (3.1 g 2.8um) technology

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

[World s first] application of this technology in 42-inch, 47 inch and 55-inch full high-definition products

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

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

99) Development of world s first ultra slim 19SX TN monitor

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

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

Elimination of gate driver integrated circuits by applying GIP technology

100) Development of 215FHD e-IPS monitor products applying LED PKG

Reduction in the number of LED and LED array cost through optimization of LED PKG s beam and size

Realization of 2 sheet structure by adopting I-VCOM resulting in increased transmittance and backlight luminance

Elimination of gate driver integrated circuits by applying GIP technology

Minimization of LCM thickness by applying thin LED array structure (14.5t g 10.2t)

101) Development and application of LED PKG in 215FHD TN monitor products

Reduction in the number of LED and LED array cost through optimization of LED PKG s beam and size

Elimination of DBEF sheet by adopting I-VCOM resulting in increased transmittance and backlight luminance

Elimination of gate driver integrated circuits by applying GIP technology

Minimization of LCM thickness by applying thin LED array structure (14.5t g 10.2t)

102) Development of world s first slim TN monitor (185W HD, 20W HD+, 215W/23W FHD)

Developing ultra slim monitor by cooperating with set makers in the design process (SET standard: over 20t g 12.9t)

Minimization of LCM thickness by applying thin LED array structure (11.5t g 8.2t)

Simplification of circuit by developing T-con + Scaler 1chip

103) Development of world s first ultra slim 215W FHD TN monitor

Developing ultra slim monitor by cooperating with set makers in the design process (SET standard: 12.9t g 7.2t)

Minimization of LCM thickness by applying thin LED array structure (8.2t g 6t)

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 September 30, 2010, we held a total of 13,715 patents, including 6,172 in Korea and 7,543 in other countries.

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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 worksite waste, including water and air pollutants, at various stages in the manufacturing process, and we are subject to a variety of laws and regulations relating to the use, storage, discharge and disposal of such chemical by-products and waste substances. We have installed various types of anti-pollution equipment, consistent with 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. On July 10, 2010, we became the first TFT-LCD company to receive the CDM Executive Board s approval on its CDM project design document for SF6 decomposition.

In addition, as of September 30, 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 P8, our OLED production facility in Gumi, Korea, our Gumi module production plant and our Paju module production plant, as well as our module production plants in Nanjing and Guangzhou, China. 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.

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

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

In addition, we have implemented a green purchasing system that prevents the use of hazardous materials from the purchasing stage. As a result of the green purchasing system, we are in compliance with RoHS and other applicable environmental laws and regulation, and we became the first TFT-LCD company to receive the Hazardous Substance Process Management QC080000 certification, or HSPM, from the International Electrotechnical Commission. HSPM is used to help companies manage their hazardous materials and be in compliance with 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 September 30, 2010**	**As of December 31, 2009**
Current Assets	9,640,830	8,226,142
Quick Assets	7,149,223	6,558,362
Inventories	2,491,607	1,667,780
Non-current Assets	14,151,964	11,477,335
Investments	336,170	409,145
Tangible Assets	12,193,524	9,596,497
Intangible Assets	438,852	352,393
Other Non-current Asset	1,183,418	1,119,300
Total Assets	23,792,794	19,703,477
Current Liabilities	9,017,635	6,495,071
Non-current Liabilities	3,485,837	3,168,657
Total Liabilities	12,503,472	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)	(45,677)	(51,005)
Retained Earnings	7,294,807	6,050,562
Total Shareholder s Equity	11,289,322	10,039,749

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(Unit: In millions of Won)

Description	For the nine months ended September 30, 2010	For the nine months ended September 30, 2009
Sales Revenues	19,028,172	14,132,558
Operating Income (Loss)	1,697,470	696,985
Income (Loss) from continuing operation	1,427,606	615,654
Net Income (Loss)	1,427,606	615,654
Earnings (Loss) per share basic	3,987	1,721
Earnings (Loss) per share diluted	3,892	1,721

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

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

Description	As of September 30, 2010	As of December 31, 2009
Current Assets	9,245,369	7,973,355
Quick Assets	7,264,934	6,687,050
Inventories	1,980,435	1,286,305
Non-current Assets	13,785,732	11,283,512
Investments	1,247,341	1,188,857
Tangible Assets	11,046,494	8,730,263
Intangible Assets	422,026	340,885
Other Non-current Asset	1,069,871	1,023,507
Total Assets	23,031,101	19,256,867
Current Liabilities	8,484,289	6,120,663
Non-current Liabilities	3,397,371	3,102,006
Total Liabilities	11,881,660	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)	(7,890)	(17,366)
Retained Earnings	7,117,139	6,011,372
Total Shareholder s Equity	11,149,441	10,034,198

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(Unit: In millions of Won)

Description	For the nine months ended September 30, 2010	For the nine months ended September 30, 2009
Sales Revenues	18,793,301	14,194,396
Operating Income (Loss)	1,453,412	728,392
Income (Loss) from continuing operation	1,305,635	662,199
Net Income (Loss)	1,305,635	662,199
Earnings (Loss) per share basic	3,649	1,851
Earnings (Loss) per share diluted	3,558	1,851

C. Consolidated subsidiaries (as of September 30, 2010)

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 Pte. Ltd.	Sales	Singapore	100%
L&T Display Technology (Xiamen) Co., Ltd.	Manufacturing	China	51%
L&T Display Technology (Fujian) Co., Ltd.	Manufacturing	China	51%
LG Display Yantai Co., Ltd.	Manufacturing and sales	China	100%

* In July 2010, LG Display Nanjing Co., Ltd. acquired and merged with LG Electronics (Nanjing) Plasma.

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D. Status of equity investment

Status of equity investment as of September 30, 2010:

Company	Paid-in Capital		Initial Equity Investment Date	Ownership Ratio
LG Display America, Inc.	US$	105,000,000	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	2,253,753,055	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 Pte. Ltd.	SGD	1,400,000	January 12, 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%
LG Display Yantai Co., Ltd.	CNY	273,048,000	April 19, 2010	100%
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%
LIG ADP Co., Ltd. (formerly 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$	12,285,022	November 3, 2009	26%
Global OLED Technology LLC	US$	45,170,000	December 23, 2009	33%
LB Gemini New Growth Fund No.16	(Won)	8,280,000,000	December 7, 2009	31%
Can Yang Investment Ltd.	CNY	73,729,230	January 27, 2010	15%
YAS Co., Ltd.	(Won)	10,000,000,000	September 16, 2010	20%
Eralite Optoelectronics (Jiangsu) Co., Ltd.	US$	4,000,000	September 28, 2010	20%

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14. Audit Information

A. Audit service

(Unit: In millions of Won, hours)

Description	2010 (Q1~Q3)	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	8,802	17,569	23,100

* Compensation amount is the contracted amount for the full 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

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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 outside 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 September 30, 2010, our non-outside directors were comprised of the chief executive officer, the chief financial officer and a non-standing director.

B. Members of the Board of Directors

Members of the Board of Directors (as of September 30, 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	Executive Vice President and Chief Financial Officer of 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 of 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 at Ropes & Gray LLP	February 29, 2008

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C. Committees of the Board of Directors

Committees of the Board of Directors (as of September 30, 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 September 30, 2010): 500,000,000 shares.

(2) Total shares issued and outstanding (as of September 30, 2010): 357,815,700 shares.

B. Shareholder list

(1) Largest shareholder and related parties:

(Unit: share)

Name	Relationship	As of September 30, 2010
LG Electronics	Largest Shareholder	135,625,000 (37.9%)
Young Soo Kwon	Related Party	13,000 (0.0%)

(2) Shareholders who are known to us to own 5% or more of our shares as of September 30, 2010:

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

National Pension Service	18,034,737	5.04%

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17. Directors and Employees

A. Directors

(1) Remuneration for directors in 2010 (Q1~Q3)

(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	1,756	8,500	878	
Directors nominated by LG Electronics				
Outside Directors	177**		43	-Three of our outside directors are members of the audit committee.

* Period: January 1, 2010 ~ September 30, 2010
* Amount paid is calculated on the basis of actually paid amount except accrued salary and severance benefits.
** 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 nine months ended September 30, 2010.

(2) Stock option

The following table sets forth certain information regarding our stock options as of September 30, 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.

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B. Employees

As of September 30, 2010, we had 28,874 employees (excluding our executive officers). The total amount of salary paid to our employees for the nine months ended September 30, 2010 based on cash payment (excluding welfare benefits and retirement expenses) was (Won)852,418 million. The following table provides details of our employees as of September 30, 2010:

(Unit: person, in millions of Won)

Details of Employees						
Office Worker	Production Worker	Others	Total	Total Salary in 2010 (Q1~Q3)*	Per Capita Salary**	Average Service Year
9,802	19,072		28,874	852,418	31.8	4.2

* Welfare benefits and retirement expenses have been excluded. Total welfare benefit provided to our employees for the nine months ended September 30, 2010 was (Won)176,972 million and the per capita welfare benefit provided was (Won)6.6 million.

* Based on cash payment made in Korea.

* Includes incentive payments to employees who have transferred from our affiliated companies.

** Per Capita Salary is calculated using the average number of employees (26,811) for the nine months ended September 30, 2010.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

September 30, 2010

(With Independent Auditors Review Report Thereon)

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Independent Auditors Review Report

Based on a report originally issued in Korean

The Board of Directors and Stockholders

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 September 30, 2010, and the related condensed consolidated statements of comprehensive income for each of the three-month and nine-month periods ended September 30, 2010, changes in equity and cash flows for the nine-month period ended September 30, 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 for each of the three-month and nine-month period ended September 30, 2009, changes in equity and cash flows for the nine-month period ended September 30, 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 nine-month period ended September 30, 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, dated October 16, 2009, 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 15 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(a), 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
October 22, 2010
This report is effective as of October 22, 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 September 30, 2010 and December 31, 2009

(In millions of Won)	Note		2010	2009
Assets				
Cash and cash equivalents	10	(Won)	1,244,691	817,982
Deposits in banks	10		1,901,500	2,500,000
Trade accounts and notes receivable, net	10,14,17		3,437,675	2,950,245
Other accounts receivable, net	10,17		278,701	127,340
Other current financial assets	10		11,186	3,856
Inventories	5		2,491,607	1,667,780
Other current assets			275,470	158,939
Total current assets			9,640,830	8,226,142
Investments in equity accounted investees	6		280,406	282,450
Other non-current financial assets			72,417	145,970
Deferred tax assets	20		982,197	926,219
Property, plant and equipment, net	7,18		12,193,524	9,596,497
Intangible assets, net	8,18		438,852	352,393
Other non-current accounts receivable			11,260	11,311
Other non-current assets			173,308	162,495
Total non-current assets			14,151,964	11,477,335
Total assets		(Won)	23,792,794	19,703,477
Liabilities				
Trade accounts and notes payable	10,17	(Won)	2,803,617	2,031,422
Current financial liabilities	9,10		1,855,346	2,007,332
Other accounts payable	10,17		3,146,309	1,596,135
Accrued expenses			470,224	292,250
Income tax payable			231,891	145,326
Provisions			467,197	370,605
Other current liabilities			43,051	52,001
Total current liabilities			9,017,635	6,495,071
Non-current financial liabilities	9,10		2,365,352	2,076,160
Non-current provisions			7,269	5,611
Employee benefits	13		118,649	84,297
Long-term advances received	14		662,360	583,800
Other non-current liabilities			332,207	418,789
Total non-current liabilities			3,485,837	3,168,657
Total liabilities			12,503,472	9,663,728

Equity			
Share capital	16	1,789,079	1,789,079
Share premium		2,251,113	2,251,113
Reserves	16	(45,677)	(51,005)
Retained earnings		7,277,156	6,050,562
Total equity attributable to equity holders of the Company		11,271,671	10,039,749
Non-controlling interest		17,651	
Total equity		11,289,322	10,039,749
Total liabilities and equity		(Won) 23,792,794	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 and nine-month periods ended September 30, 2010 and 2009

(In millions of Won, except earnings per share)	Note	For the three-month periods ended September 30		For the nine-month periods ended September 30	
		2010	2009 (Unreviewed)	2010	2009 (Unreviewed)
Revenue	17,18	(Won) 6,697,629	5,817,880	(Won) 19,028,172	14,132,558
Cost of sales	5,11,17	(5,926,362)	(4,591,388)	(15,691,287)	(12,433,872)
Gross profit		771,267	1,226,492	3,336,885	1,698,686
Other income	11	368,381	243,101	1,066,837	1,212,799
Selling expenses	11,12	(245,151)	(149,687)	(650,953)	(446,763)
Administrative expenses	11,12	(135,523)	(78,764)	(383,002)	(217,667)
Research and development expenses	11	(166,790)	(93,385)	(471,176)	(289,808)
Other expenses	11	(410,124)	(485,579)	(1,201,121)	(1,260,262)
Results from operating activities		182,060	662,178	1,697,470	696,985
Finance income		150,160	144,231	206,254	204,163
Finance costs		(94,925)	(102,128)	(219,101)	(256,559)
Other non-operating income (loss), net		(2,057)	44	(5,356)	(312)
Equity income on investments, net		8,544	10,095	10,506	10,686
Profit before income tax		243,782	714,420	1,689,773	654,963
Income tax expense	20	19,589	119,082	262,167	39,309
Profit for the period		224,193	595,338	1,427,606	615,654
Other comprehensive income					
Net change in fair value of available-for-sale financial assets		4,849	(24,621)	11,495	(29,413)
Net change in fair value of cash flow hedges transferred to profit or loss					2,534
Defined benefit plan actuarial gain or loss	13	(26,456)	189	(26,450)	1,292
Cumulative translation differences		(1,584)	(16,339)	(3,409)	(29,115)
Gain on sales of own shares of associate accounted for using the equity method		(116)		923	
Income tax on other comprehensive income		4,522	6,006	1,724	6,815
Other comprehensive loss for the period, net of income tax		(18,785)	(34,765)	(15,717)	(47,887)
Total comprehensive income for the period		(Won) 205,408	560,573	(Won) 1,411,889	567,767

Profit attributable to:							
Owners of the Company			221,879	595,338		1,426,462	615,654
Non-controlling interest			2,314			1,144	
Profit for the period		(Won)	224,193	595,338	(Won)	1,427,606	615,654
Total comprehensive income attributable to:							
Owners of the Company			203,790	560,573		1,410,830	567,767
Non-controlling interest			1,618			1,059	
Total comprehensive income for the period		(Won)	205,408	560,573	(Won)	1,411,889	567,767
Earning per share							
Basic earnings per share	21	(Won)	620	1,664	(Won)	3,987	1,721
Diluted earnings per share	21	(Won)	608	1,559	(Won)	3,892	1,721

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 nine-month periods ended September 30, 2010 and 2009

(In millions of Won)	Share capital	Share premium	Gain on sales of own shares of associates	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		(1,920)	3,500		5,126,135		9,167,907
Total comprehensive income for the period									
Profit for the period							615,654		615,654
Other comprehensive income (loss)									
Net change in fair value of available-for-sale financial assets, net of tax					(22,424)				(22,424)
Net change in faur value of cash flow hedges transferred to profit or loss, net of tax				1,920					1,920
Defined benefit plan actuarial gain, net of tax							1,292		1,292
Cumulative translation differences						(28,675)			(28,675)
Total other comprehensive income (loss)				1,920	(22,424)	(28,675)	1,292		(47,887)
Total comprehensive income (loss) for the period	(Won)			1,920	(22,424)	(28,675)	616,946		567,767
Transaction with owners, recorded directly in equity									
Dividends to equity holders							(178,908)		(178,908)
Balances at September 30, 2009 (Unreviewed)	(Won) 1,789,079	2,251,113			(18,924)	(28,675)	5,564,173		9,556,766
	(Won) 1,789,079	2,251,113			(14,636)	(36,369)	6,050,562		10,039,749

Balances at January 1, 2010								
Total comprehensive income (loss) for the period								
Profit for the period						1,426,462	1,144	1,427,606
Other comprehensive income (loss)								
Net change in fair value of available-for-sale financial assets, net of tax				8,535				8,535
Defined benefit plan actuarial gain, net of tax						(20,960)		(20,960)
Cumulative translation differences					(4,130)		(85)	(4,215)
Gain on sales of own shares of associates accounted for using the equity method			923					923
Total other comprehensive income (loss)			923	8,535	(4,130)	(20,960)	(85)	(15,717)
Total comprehensive income (loss) for the period	(Won)		923	8,535	(4,130)	1,405,502	1,059	1,411,889
Transaction with owners, recorded directly in equity								
Dividends to equity holders						(178,908)		(178,908)
Changes in ownership interests in subsidiaries							16,592	16,592
Balances at September 30, 2010	(Won)	1,789,079	2,251,113	923	(6,101)	(40,499)	7,277,156	17,651	11,289,322

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 Cash Flows

(Unaudited)

For the nine-month periods ended September 30, 2010 and 2009

(In millions of Won)	2010	(Unreviewed) 2009
Cash flows from operating activities:		
Profit for the period	(Won) 1,427,606	615,654
Adjustments for:		
Income tax expense	262,167	39,309
Depreciation	2,023,120	2,022,425
Amortization of intangible assets	119,737	39,426
Gain on foreign currency translation	(136,802)	(195,455)
Loss on foreign currency translation	204,450	135,094
Gain on disposal of property, plant and equipment	(1,382)	(441)
Loss on disposal of property, plant and equipment	316	154
Impairment loss on property, plant and equipment		664
Gain on disposal of intangible assets		(9)
Finance income	(152,862)	(146,229)
Finance costs	123,419	163,850
Equity income on investments, net	(10,506)	(10,686)
Other income	(30,065)	(47,686)
Other expenses	345,355	351,776
	4,174,553	2,967,846
Change in trade accounts and notes receivable	(644,113)	(1,243,667)
Change in other accounts receivable	(29,612)	(49,979)
Change in other current assets	(98,228)	32,315
Change in inventories	(786,723)	(529,605)
Change in other non-current accounts receivable	52	830
Change in other non-current assets	(49,477)	176,069
Change in trade accounts and notes payable	873,216	979,422
Change in other accounts payable	(128,921)	(118,807)
Change in accrued expenses	173,401	98,735
Change in other current liabilities	(9,138)	55,424
Change in long-term advance received	90,480	695,500
Change in other non-current liabilities	8,483	2,452
Change in provisions	(133,695)	(47,496)
Change in defined benefit obligation	(72,139)	(6,799)
Cash generated from operating activities	3,368,139	3,012,240
Income tax paid	(227,133)	(546,980)
Interest received	85,902	154,927
Interest paid	(79,695)	(94,096)
Net cash from operating activities	(Won) 3,147,213	2,526,091

See accompanying notes to the condensed consolidated interim financial statements.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Cash Flows, Continued

(Unaudited)

For the nine-month periods ended September 30, 2010 and 2009

(In millions of Won)		2010	(Unreviewed) 2009
Cash flows from investing activities:			
Dividends received	(Won)	18,962	557
Proceeds from withdrawal of deposits in banks		3,600,000	3,055,000
Increase in deposits in banks		(3,001,500)	(2,800,000)
Acquisition of investments in equity accounted investees		(36,039)	(97,888)
Proceeds from disposal of investments in equity accounted investees		20,530	
Proceeds from disposal of available-for-sale financial assets			905
Acquisition of property, plant and equipment		(2,955,433)	(2,590,792)
Proceeds from disposal of property, plant and equipment		1,860	7,391
Acquisition of intangible assets		(134,553)	(156,643)
Proceeds from disposal of intangible assets			11
Grant received		41	969
Payment for settlement of derivatives		(5,358)	
Proceeds from settlement of derivatives			12,714
Proceeds from short-term loans		41	15
Acquisition of other non-current financial assets		(34,321)	(4,609)
Proceed from disposal of other non-current financial assets		2,627	624
Acquisition of LCD module business		(238,482)	
Net cash used in investing activities		(2,761,625)	(2,571,746)
Cash flows from financing activities:			
Proceeds from short-term borrowings		889,917	487,990
Repayment of short-term borrowings		(695,419)	(601,068)
Issuance of debentures		918,302	
Redemption of debentures			(200,000)
Proceeds from long-term debt		454,679	367,741
Repayment of long-term debt		(120,000)	
Repayment of current portion of long-term debt		(1,278,219)	(289,685)
Increase in minority interest		16,592	
Payment of cash dividend		(178,908)	(178,908)
Net cash provided (used) in financing activities		6,944	(413,930)
Net increase (decrease) in cash and cash equivalents		392,532	(459,585)
Cash and cash equivalents at 1 January		817,982	1,352,752
Effect of exchange rate fluctuations on cash held		34,177	(15,128)
Cash and cash equivalents at 30 September	(Won)	1,244,691	878,039

See accompanying notes to the condensed consolidated interim financial statements.

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1. Reporting Entity

(a) Description of the Controlling Company

LG Display Co., Ltd. (the Controlling Company) was incorporated in February 1985 under its original name of LG Soft, Ltd. as a wholly owned subsidiary of LG Electronics Inc. In 1998, LG Electronics Inc. and LG Semicon Co., Ltd. transferred their respective Thin Film Transistor Liquid Crystal Display (TFT-LCD) related business to the Controlling Company. The main business of the Controlling Company and its subsidiaries is to manufacture and sell TFT-LCD panels. The Controlling Company is a stock company (Jusikhoesa) domiciled in the Republic of Korea with its address at 65-228, Hangang-ro 3-ga, Yongsan-gu, Seoul, the Republic of Korea, to which the Company moved in September 2010. In July 1999, LG Electronics Inc. and Koninklijke Philips Electronics N.V. (Philips) entered into a joint venture agreement. Pursuant to the agreement, the Controlling Company changed its name to LG.Philips LCD Co., Ltd. However, on February 29, 2008, the Controlling Company changed its name to LG Display Co., Ltd. based upon the approval of shareholders at the general shareholders meeting on the same date as a result of the decrease in Philips s share interest in the Controlling Company and the possibility of its business expansion to Organic Light Emitting Diode (OLED) and Flexible Display products. As of September 30, 2010, LG Electronics Inc. owns 37.9% (135,625,000 shares) of the Controlling Company s common shares.