LG Display Co., Ltd.
Form 6-K
May 16, 2014
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER

PURSUANT TO RULE 13a-16 OR 15d-16

UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of May 2014

LG Display Co., Ltd.

(Translation of Registrant s name into English)

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

(Address of principal executive offices)

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, 2014 to March 31, 2014)

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

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

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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 LG Twin Towers, 128 Yeoui-daero, Yeongdeungpo-gu, Seoul 150-721, Republic of Korea, and our telephone number is +82-2-3777-1010. Our website address is http://www.lgdisplay.com.

B. Domestic credit rating

Subject instrument	Month of rating	Credit rating (1)	Rating agency (Rating range)
Corporate bonds	June 2012	AA-	NICE Information Service Co., Ltd. (AAA ~ D)
	October 2012		
	March 2013		
	June 2013		
	October 2013		
	June 2012	AA-	Korea Investors Service, Inc. (AAA ~ D)
	October 2012		
	June 2013		
	October 2013		
	March 2014	AA	
	June 2012	AA-	Korea Ratings Corporation (AAA ~ D)
	March 2013		
	June 2013		
	March 2014	AA	

(1) Domestic credit ratings are generally defined to indicate the following:

Subject instrument	Credit rating	Definition
Corporate bonds	AAA	Strongest capacity for timely repayment.
	AA+/AA/AA-	Very strong capacity for timely repayment. This capacity may, nevertheless, be slightly inferior than is the case for the highest rating category
	A+/A/A-	Strong capacity for timely repayment. This capacity may, nevertheless, be more vulnerable to adverse changes in circumstances or in economic conditions than is the case for higher rating categories.
	BBB+/BBB/BBB-	Capacity for timely repayment is adequate, but adverse changes in circumstances and in economic conditions are more likely to impair this capacity.
	BB+/BB/BB-	Capacity for timely repayment is currently adequate, but that there are some speculative characteristics that make the repayment uncertain over time.

B+/B/B-	Lack of adequate capacity for repayment and speculative characteristics. Interest payment in time of unfavorable economic conditions is uncertain.
CCC	Lack of capacity for even current repayment and high risk of default.
CC	Greater uncertainties than higher ratings.
C	High credit risk and lack of capacity for timely repayment.
D	Insolvency.

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C. Capitalization

(1) Change in capital stock (as of March 31, 2014)

There were no changes to our issued capital stock during the year reporting period ended March 31, 2014.

(2) Convertible bonds

Not applicable.

D. Voting rights (as of March 31, 2014)

(Unit: share)

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

E. Dividends

Dividends for the three most recent fiscal years

Description (unit)	2013	2012	2011
Par value (Won)	5,000	5,000	5,000
Profit (loss) for the period (million Won) [1]	99,672	28,549	(991,032)
Earnings per share (Won) [2]	279	80	(2,770)

Total cash dividend amount for the period (million Won)

Total stock dividend amount for the period (million Won)	
Cash dividend payout ratio (%)	
Cash dividend yield (%) [3]	
Stock dividend yield (%)	
Cash dividend per share (Won)	
Stock dividend per share (share)	

(1) Profit (loss) for the period based on separate K-IFRS.
(2) Earnings per share is based on par value of 5,000 per share and is calculated by dividing net income by weighted average number of common stock.
(3) 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 and OLED.

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As of March 31, 2014, we operated TFT-LCD and OLED production facilities and a research center in Paju, Korea and TFT-LCD production facilities in Gumi, Korea. We have also established subsidiaries in the Americas, Europe and Asia.

As of March 31, 2014, our business consisted of the manufacture and sale of display and display related products utilizing TFT-LCD, OLED and other technologies under a single reporting business segment.

2014 Q1 consolidated operating results highlights

(Unit: In billions of Won)

2014 Q1	Display business
Sales Revenue	5,588
Gross Profit	664
Operating Profit (Loss)	94

B. Industry

(1) Industry characteristics and growth potential

TFT-LCD display panels are one of the most widely used type of display panels in flat panel display products, and the entry barriers to manufacture TFT-LCD display panels are relatively high due to the technology and capital intensive nature of the mass manufacturing process that is required to achieve economies of scale, among other factors.

While growth in the market for displays used in notebook computer, monitor and other traditional IT products has stagnated or declined, the market for displays used in tablet and smartphone products in the rapidly evolving IT environment has been growing very quickly. The display market for televisions has shown steady growth mainly due to growing demand from developing countries as well as from consumers in general for larger sized display panels. As for displays used in industrial, automobile and other value added products, we expect to see growth in these markets.

(2) Cyclicality

The display panel business is highly cyclical and sensitive to fluctuations in the general economy. The industry experiences periodic volatility caused by imbalances between supply and demand due to capacity expansion and changing production utilization rates within the industry.

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

(3) Market conditions

Overall, while there have been some variations in rates of production capacity growth among individual display panel manufacturers, display panel manufacturers have generally slowed their respective rates of production capacity growth since 2011 due to a slowdown in growth of the display panel industry.

Most display panel manufacturers are located in Asia.

a. Korea: LG Display, Samsung Display, Hydis Technologies, etc.

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

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

d. China: BOE, CSOT, etc.

(4) Market shares

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

	2014 Q1	2013	2012
Panels for Televisions [1]	22.5%	24.7%	25.2%
Panels for Monitors	32.3%	34.0%	32.3%
Panels for Notebook Computers [2]	32.7%	32.3%	32.1%
Panels for Tablet Computers	24.2%	32.0%	40.3%
Total	25.4%	27.8%	28.4%

Source: DisplaySearch

(1) Includes panels for public displays.
(2) Includes panels for netbooks.

(5) Competitiveness

Our ability to compete successfully depends on factors both within and outside our control, including product pricing, our relationship with customers, successful and timely investment and product development, cost competitiveness, success in marketing to our end-brand customers, component and raw material supply costs, foreign exchange rates and general economic and industry conditions.

In order to compete effectively, it is critical to be cost competitive and maintain stable and long-term relationships with customers which will enable us to be profitable even in a buyer s market.

A substantial portion of our sales is attributable to a limited number of end-brand customers and their designated system integrators. The loss of these end-brand customers, as a result of customers entering into strategic supplier arrangements with our competitors or otherwise, would result in reduced sales.

Developing new products and technologies that can be differentiated from those of our competitors is critical to the success of our business. It is important that we take active measures to protect our intellectual property internationally by obtaining patents and undertaking monitoring activities in our major markets. It is also necessary to recruit and retain experienced key managerial personnel and skilled line operators.

As a leading technology innovator in the display industry, we continue to focus on delivering differentiated value to our customers by developing new technologies and products, including next generation display panels with three-dimensional (3D), IPS, copper line, touch screens and various other competitive technologies. With respect to 3D technology, we have commenced mass production of high definition 3D panels with reduced degrees of crosstalk, or the degree of 3D image overlapping, of less than 1% (which is less than what the human eye can perceive). We have also acquired diverse technical skills and have established a supply chain management system that enables us to provide one-stop solutions. Based on the strength of our IPS and copper line technologies, we have been able to maintain our strength in the market for television panels. With respect to our OLED business, following our supply of the world s first 55-inch OLED 3D panels for televisions in January 2013, we have supplied curved OLED panels for televisions and curved plastic OLED panels for smartphones and have shown that we are technologically a step ahead of the competition.

Moreover, we entered into long-term sales contracts with major global firms to secure customers and expand partnerships for technology development.

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C. New businesses

For our continued growth, we are actively exploring and preparing for new business opportunities that may arise in the changing market environment. As such, we are continually reviewing and looking at opportunities in the display and promising new industries.

3. Major Products and Raw Materials

A. Major products

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

(Unit: In billions of Won, except percentages)

Business area	Sales type	Items (Market)	Usage	Major trademark	Sales in 2014 Q1 (%)
Display	Product/ Service/ Other sales	Display panel (Overseas [1])	Panels for notebook computers, monitors, televisions, smartphones, tablets, etc.	LG Display	4,943 (88.5%)
		Display panel (Korea [1])	Panels for notebook computers, monitors, televisions, smartphones, tablets, etc.	LG Display	645 (11.5%)
Total					5,588 (100.0%)

- Period: January 1, 2014 ~ March 31, 2014.

(1) Based on ship-to-party.

B. Average selling price trend of major products

The average selling price of LCD panels per square meter of net display area shipped in the first quarter of 2014 decreased by approximately 3% from the fourth quarter of 2013, largely as a result of a decrease in the shipment of small- to medium-sized products and the effect of such decrease on our product mix. There is no assurance that the average selling prices of LCD panels will not fluctuate in the future due to change in market conditions.

(Unit: US$ / m^2)

Description	2014 Q1	2013 Q4	2013 Q3	2013 Q2
Display panel [1][2]	628	697	678	657

(1) Quarterly average selling price per square meter of net display area shipped.
(2) Excludes semi-finished products in the cell process.

C. Major raw materials

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

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(Unit: In billions of Won, except percentages)

Business area	Purchase type	Items	Usage	Cost (1)	Ratio (%)
Display	Raw materials	Glass	Display panel manufacturing	455	14.2%
		Backlight		774	24.2%
		Polarizer		571	17.8%
		Others		1,399	43.8%
Total				3,199	100.0%

- Period: January 1, 2014 ~ March 31, 2014.

(1) Based on total cost for purchase of raw materials which includes manufacturing and development costs, etc.

4. Production and Equipment

A. Production capacity and output

(1) Production capacity

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

(Unit: 1,000 Glass sheets)

Business area	Items	Location of facilities	2014 Q1(1)	2013(2)	2012(2)
Display	Display panel	Gumi, Paju	2,069	8,562	9,195

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

(2) Production output

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

(Unit: 1,000 Glass sheets)

Business area	Items	Location of facilities	2014 Q1	2013	2012
Display	Display panel	Gumi, Paju	1,923	7,670	7,853

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

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B. Production performance and utilization ratio

(Unit: Hours, except percentages)

Production facilities	Available working hours in 2014 Q1	Actual working hours in 2014 Q1	Average utilization ratio
Gumi	2,160 (1) (90 days) (2)	2,144 (1) (89.3 days) (2)	99.3%
Paju	2,160 (1) (90 days) (2)	2,160 (1) (90.0 days) (2)	100.0%

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

C. Investment plan

In 2014, we expect our capital expenditures to be approximately in the mid-W3 trillions in anticipation of funding the production of OLED and LTPS-based display panels and other future display products while maintaining and making improvements to our existing facilities. 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)		2014 Q1	2013	2012
Display	Products, etc.	Display panel	Overseas (1)	4,943	24,341	27,280
			Korea (1)	645	2,692	2,150
			Total	5,588	27,033	29,430

(1) Based on ship-to-party.

B. Sales route and sales method

(1) Sales organization

As of March 31, 2014, each of our Television Business Unit and IT/Mobile Business Unit had individual sales and customer support functions.

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

(2) Sales route

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

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

LG Display HQ and overseas manufacturing subsidiaries g System integrators and end-brand customers g End users

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(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

As part of our sales strategy, we have secured stable sales to major personal computer manufacturers and leading consumer electronics manufacturers globally, strengthened sales of high-resolution, IPS, narrow bezel and other high-end display panels in the tablet, notebook computer and monitor markets, led the television market with our OLED and other market leading television panels and increased the proportion of sales of our differentiated television panels, such as our ultra-high definition (Ultra HD) and large television panels, in our product mix.

In the smartphone, industrial products (including aviation and medical equipment) and automobile displays segment, we have continued to build a strong and diversified business portfolio by expanding our business with customers with a global reach on the strength of our differentiated products applying IPS, plastic OLED, high-resolution and other technologies.

(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

The display industry continues to experience continued declines in the average selling prices of TFT-LCD and OLED 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 display 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 manufacturers in Korea, Taiwan, China and Japan coupled with changes in the production mix of such manufacturers. Our main competitors in the industry include

Samsung Display, Hydis Technologies, AU Optronics, Innolux, CPT, HannStar, Japan Display, Sharp, Panasonic LCD, BOE and CSOT.

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

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

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B. Risk management

As the average selling prices of TFT-LCD and OLED panels can continue to decline over time irrespective of industry-wide cyclical fluctuations, we may find it hard to manage risks associated with certain factors that are outside our control. However, we counteract such declines in average selling prices by increasing the proportion of high value panels in our product mix while also implementing various cost reduction measures. In addition, in order to manage our risk against foreign currency fluctuations, we continually monitor our currency position and risk, and when needed, we may from time to time enter into cross-currency interest rate swap contracts and foreign currency forward contracts. As of March 31, 2014, we had not entered into any such contract for currency related derivative products.

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.

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 the 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.

B. Interest rate risks

Our exposure to interest rate risks relates primarily to our floating rate long term debt obligations. We have established and are managing interest rate risk policies to minimize uncertainty and costs associated with interest rate fluctuations by monitoring cyclical interest rate fluctuations and enacting countermeasures.

8. Major contracts

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

Type of agreement	Name of party	Term	Content
		October 2005 ~	

Technology licensing agreement	Semiconductor Energy Laboratory		Patent licensing of LCD and OLED related technology
	Fergason Patent Properties	October 2007 ~	Patent licensing of LCD driving technology
	Hewlett-Packard	January 2011 ~	Patent licensing of semi-conductor device technology
Technology licensing/supply agreement			
	Chunghwa Picture Tubes	November 2007 ~	Patent cross-licensing of LCD technology
	HannStar Display Corporation	November 2009 ~	Patent cross-licensing of LCD technology
	AU Optronics Corporation	August 2011~	Patent cross-licensing of LCD technology
	Innolux Corporation	July 2012 ~	Patent cross-licensing of LCD technology, etc.

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9. Research & Development

A. Summary of R&D-related expenditures

(Unit: In millions of Won, except percentages)

Items		2014 Q1	2013	2012
Material Cost		138,611	586,901	494,422
Labor Cost		166,742	500,705	412,805
Depreciation Expense		64,922	319,854	259,467
Others		45,206	267,320	206,093
Total R&D-Related Expenditures		415,481	1,674,780	1,372,787
Accounting Treatment [(1)]	Selling & Administrative Expenses	289,974	1,095,727	785,111
	Manufacturing Cost	92,292	456,818	389,451
	Development Cost (Intangible Assets)	33,215	122,235	198,225
R&D-Related Expenditures / Revenue Ratio (Total R&D-Related Expenditures ÷ Revenue for the period × 100)		7.4%	6.2%	4.7%

(1) For accounting purposes, R&D-related expenditures are recognized in accordance with our financial statements. Previous to this quarterly report, they were recognized in accordance with their respective sources of cost.

B. R&D achievements

Achievements in 2012

1) Introduction of the world s first 13.3-inch high definition plus (HD+) AH-IPS notebook product

Development of the world s first 13.3-inch HD+ model applying AH-IPS technology

2) Development and introduction of a 14.0-inch HD product with the world s lowest (at the time) rate of logic circuit energy consumption (0.4W)

Application of DRD Z-inversion, HVDD and low voltage process

Application of high intensity LED (2.3cd) and Vcut light guiding plate

Increase in battery life due to reduced logic circuit energy consumption

3) Introduction of a 14.0-inch HD+ notebook product with a high color reproduction rate

Development of a 14.0-inch HD+ 72% color reproduction rate model

Development of a slim model applying 0.3 mm glass etching

4) Introduction of a 15.6-inch full high-definition (FHD) glasses-free 3D notebook product

Development of the first notebook product applying switchable barrier type 3D technology that does not require the use of glasses

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5) Development of the world s first 23-inch FHD monitor product applying AH-IPS 4Mask technology

Increased display panel luminance by application of AH-IPS technology (20% more luminance compared to display panels applying conventional IPS technology)

Simplified panel production process by application of AH-IPS 4Mask technology

30% reduction in energy consumption resulting from increased efficiency of LED and circuit components

Increased productivity in the manufacture of circuit and mechanical components resulting from increased standardization

6) Development of TN monitor products (20-inch HD+, 21.5-inch FHD and 23-inch FHD) applying new LED

20% reduction in energy consumption resulting from increased efficiency of LED and circuit components (based on 23W power consumption models)

Increased productivity in the manufacture of circuit and mechanical components resulting from increased standardization

7) Development of products with new edge backlight unit (32-inch, 37-inch and 42-inch FHD)

Vertical 2Bar LED backlight unit g Vertical 1Bar LED backlight unit

Reduced energy consumption by 25% resulting from a reduction in the number of LED integrated (based on 32-inch display panel)

8) Development of 42-inch FHD product with new direct backlight unit

Development of LED Lens through the improvement of LED Beam spread angle (72ea based on 42-inch display panel)

Same thickness as conventional edge LED lighting lamp (35.5 mm)

9) Development of products with the world s narrowest bezels of 3.5 mm (47-inch and 55-inch FHD)

Narrow set design possible using 3.5 mm bezel

10) Development of the world s first panel products without borders on three sides (32-inch, 42-inch, 47-inch and 55-inch FHD)

Made possible by removing the forward-facing case top, resulting in zero bezel on three sides

11) Development of monitor products without borders on three sides (21.5-inch, 23-inch and 27-inch FHD)

Made possible by removing the forward-facing case top, resulting in zero bezel on three sides, and application of double-sided adhesive to secure the position of the panel and backlight

Used double guide panels to reduce light leakage issues in IPS panels

12) Development of 12.5-inch HD AH-IPS slim and light notebook display panels

Achieved thickness of 2.85t

Reduced the number of LEDs required by using high intensity LEDs (2.5cd)

13) The world s first GF2 Touch Tablet Product Development (10.1WXGA LCM + Touch)

Touch Concept: GF2, Touch IC In-House

Reduced cost by applying TMIC

Reduced power consumption by applying 6 in 1 (Buck version) PMIC

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Reduced cost and power consumption by applying AH-IPS + DRD-Z

Reduced cost by applying Taper LGP

14) Development of Automotive 9.2WV product that applies wide temperature AH5-IPS technology

For use in Center Information Displays and Rear Seat Entertainment Displays mounted on a mass produced passenger car

Wide temperature materials/components used and AH5-IPS technology applied

15) Application and introduction of the world s first large multi-model on a glass (MMG) type product (60-inch FHD and 32-inch HD)

Increased glass efficiency by successfully applying large MMG technology for the first time in the industry

Developed three sided and six sided chamfers for eighth generation 60-inch FHD panels and 32-inch HD panels, respectively

16) Development of the world s first 84-inch Ultra HD display panel product

a-Si based 1G 1D Ultra HD panel with steady charging

Developed extra-large edge LED with rigid heat resistant structure

17) Development of 2000 nit bright public display panel for outdoor use (47-inch FHD)

Use of optimal-temperature panel prevents any blackening effect when exposed to direct sunlight

Use of quarter-wave plate (applying FPR technology) allows viewers wearing polarized sunglasses to view the public display panel with ease

Applied heat resistant structure without heat sink

Improved bright room contrast ratio by applying Shine Out ARC POL technology

18) Development of seam (AtA) 5.6 mm super-narrow bezel (SNB) public display panel (55-inch FHD)

Bezel thickness minimized (2.9 mm for pad, 1.6 mm for non-pad)

Developed SNB structure technology

19) Development of 47-inch and 55-inch display panel products applying vertical 1Bar structure

Our first 47-inch and 55-inch display panel products applying vertical 1Bar LED backlight units

Reduced number of LEDs needed, resulting in reduced energy consumption (for example, energy consumption for the 47-inch display panel was reduced from 65.5W to 55.8W)

20) Development of the world s first 29-inch 21:9 ratio three-side borderless monitor product

Made possible by removing the forward-facing case top, resulting in zero bezel on three sides

Double-sided adhesive used to secure the position of the panel and backlight

Double guide panels used to resolve light leakage issues in IPS panels

21) Development of the world s first 12.9-inch high-resolution slim AH-IPS display panel

Ultra-high resolution WQSXGA+ (239 PPI)

Achieved 400 nit brightness by improving panel luminance and applying high intensity LED PKG and new 1Bar structure

Developed 2.95 mm slim model through glass etching and application of rigid PCB

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22) Development of the world s first ultra-slim all-in-one product applying G2 Touch technology (4.67WXGA)

320 PPI high resolution AH-IPS display panel

Ultra-slim LCM by applying G2 Touch and OCR Direct Bonding technologies

23) Development of the world s first TV product applying DRD technology (32-inch, 37-inch HD)

Simplified circuit structure for HD TV by applying DRD technology (source driver integrated circuits (D-IC) reduced from 4ea g 2ea)

24) Development of customer co-designed TV (32-inch to 55-inch FHD)

Co-designed TV model that integrates LCM and the front cover in a single body

Differentiated set bezel design

25) Development of the world s first borderless TV product with 7.8 mm bezel (47-inch FHD)

Borderless on the top and left/right sides with a borderless like bottom design

26) Development of the world s largest, at the time, 55-inch FHD OLED TV product

Utilizes WRGB OLED technology with a thickness of 4.45 mm

27) Development of the first touch notebook product with direct bonding of touch screen module (TSM) (12.5-inch FHD)

Applied direct bonding between LCM and TSM to reduce thickness (4.8 mm)

Direct bonding multi-sourcing in response to customer demand

28) Development of 23.8-inch desktop monitor product

Developed new display panel size for desktop monitor products

Narrower bezels (8 mm for the top and left/right sides) compared to conventional bezels

29) Development of the world s first clear borderless (borderless on all four sides) monitor product (27-inch FHD)

Applied Narrow Bezel Vertical LED Structure technology by changing the LED backlight structure

Developed even black matrix structure on all four sides

Achievements in 2013

1) Developed 19.5-inch desktop monitor product

Developed new display panel size for desktop monitor products

Increased yield of glass panel area per glass substrate by cutting glass substrates at 19.5 inches

2) Developed 11.6-inch Tab Book product applying GF2 touch technology

Applied GF2 direct bonding process

3) Developed 5.0-inch and 5.5-inch high resolution (over 400 PPI) smartphone products applying AH-IPS technology

Luminance increased by 10% compared to conventional panels (5.0-inch FHD panel has 403 PPI and 5.5-inch FHD panel has 440 PPI)

Developed new source D-IC to drive 4 lanes of MIPI with speeds of up to 1 Gbps per lane

4) Developed the world s first 60-inch three-side borderless product

Made possible by removing the forward-facing case top, resulting in zero bezel on three sides with a borderless like bottom design

5) Developed the world s first 47-inch and 55-inch FHD TV product with 2.3 mm narrow bezels

Achieved optimal slim design by minimizing bezel width to 2.3 mm

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6) Developed 55-inch and 65-inch Ultra HD products with narrow bezels

Ultra HD (55-inch model has 80 PPI and 65-inch model has 68 PPI)

Achieved high transmittance panel by applying 1 Gate 1 Data structure

Achieved narrow bezels (55-inch model has 6.9 mm and 65-inch has 7.5 mm) by optimizing panel and mechanical design

7) Developed 42-inch, 47-inch and 55-inch FHD three-side borderless products with direct backlight units

Borderless design made possible by removing the forward-facing case top, resulting in zero bezel on three sides

8) Developed 5-inch HD smartphone product utilizing oxide cell technology

Reduced energy consumption and achieved narrower bezels by using indium gallium zinc oxide (IGZO) cell technology (energy consumption reduced by 26.7% and bezel size reduced by 23.0% compared to products utilizing conventional silicon (a-Si) cell technology)

9) Developed FHD a-Si AH-IPS technology for use in smartphone products (more than 400 PPI)

Improved structure and technology compared to conventional FHD panels (luminance increased by 30%, achieved 443 PPI in 5.0-inch FHD panel)

Developed new D-IC and IC bonding materials and processes

10) Developed new line of 19.5-inch HD+ monitor products with IPS technology

Developed new line of display panels for desktop monitor products

Increased yield of glass panel area per glass substrate by cutting glass substrates at 19.5 inches

11) Developed 19.5-inch HD+ ultra-light monitor product

The world s lightest (at the time) 19.5-inch HD+ IPS monitor product with slim concept design

Reduced weight by 55% from 1520g to 830g and thickness from 7.6t to 5.4t compared to a conventional 19.5-inch HD+ IPS monitor product

12) Developed the world s first borderless monitor product with 3.5 mm narrow bezel (23.8-inch FHD)

Developed 23.8-inch FHD Neo Blade1 monitor product with the world s narrowest (at the time) bezel (3.5 mm)

13) Introduced 9.2-inch WXGA high resolution / high luminance automotive display product

The first automotive display product to apply EPI interface (800Mbps high speed transmission with Real 8it)

High luminance (800 nit) and high color gamut (70%)

Developed T-con with improved reliability and resolution

14) Developed 49-inch FHD four sided borderless like product

Achieved narrow borders by applying 4.9 mm GIP technology and developed a new PSJ mechanical structure

Developed new resin technology to apply to the bottom base decoration

15) Developed 55-inch FHD wide color gamut (WCG) LCM product

Achieved life like colors with WCG by combining panel and optical technologies

Developed differentiated case top set design

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16) Developed our first 60-inch FHD product

Achieved narrow panel bezel size (7.8 mm)

New size in our product lineup

17) Developed the world s first 23.8-inch Ultra HD monitor product

The world s first Ultra HD AH-IPS monitor product (23.8-inch Ultra HD: 185 ppi)

Applied PAC panel technology and developed Ultra HD T-con/D-IC driver

Developed high luminance dual LED array structure

18) Expanded product lineup of 21:9 screen aspect ratio monitors

Expanded product lineup of 21:9 screen aspect ratio monitors to include 25-inch, 29-inch and 34-inch monitors

Borderless on three sides by removing case top

19) Developed the world s first 13.3-inch FHD notebook model with 1.9 mm narrow bezel

Development slim notebook design by utilizing panel GLA structure and minimizing bezel size to 1.9 mm

Achieved slim (3.0 mm) and ultra-light (230 g) LCM by utilizing 0.25 mm glass PPP LGP technology

20) Developed our first quad HD (QHD) notebook model (13.3-inch, 222 ppi / 14.0-inch / 210 ppi)

Increased transmittance rate by utilizing 3rd metal, coop CS, red eye 12 um technology and improving aperture ratio

Achieved slim (2.6 mm) and ultra-light (235 g) LCM by utilizing 0.3 mm glass PPP LGP technology

21) Introduced product applying PPP LGP to maximize light collimation

Developed PPP technology for light collimation (improved luminance by 44% compared to conventional panels) for a more energy efficient panel model

Used 2 sheet structure to reduce thickness

22) Developed 12.3-inch FHD full cluster automotive product

The world s first full cluster product to apply IPS technology

Ultra-high luminance (800 nit) and high color gamut (85%). High color PR and developed RG LED for high light collimation

Applied the highest resolution (1920 x 720), at the time, for clusters

23) Developed 5.5-inch QHD LTPS smartphone panel applying AH-IPS technology with the worlds highest resolution, at the time, for smartphone panels (more than 500 ppi)

Designed and developed QHD, the world s highest resolution, at the time, for smartphone panels (538 ppi)

The world s first QHD module applying 1 chip D-IC driver

Achievements in 2014

1) Developed the world s first green plus structure television panel products (42-inch, 49-inch and 55-inch Ultra HD)

Added white pixels to increase transmittance by 55% compared to conventional display panels

Developed energy conservation technology for Ultra HD products

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2) Developed the world s narrowest, at the time, bezel (BtB 3.5 mm) videowall product (55-inch FHD)

The world s narrowest, at the time, bezel (BtB 3.5 mm) videowall product

Reduced panel PAD parts and minimized bezel size

3) Developed our first 79-inch Ultra HD product

New size in our product lineup

Achieved narrow bezel (On 9.9 mm) and slim depth (13.9 mm)

4) Developed the world s first 4 sided borderless like product (49-inch, 55-inch and 60-inch FHD)

Removed front case top and narrowed gap between the panel and front deco cabinet (set side reduced from 2.0 mm to 0.5 mm)

5) Developed the world s first a-Si AF-IPS 5Mask panel product for smartphones (5.0 WVGA)

Reduced production cost and simplified manufacturing process by reducing the number of mask steps from 6 to 5

Same level of performance as 6Mask panels

6) Developed the world s first LTPS AH-IPS photo alignment and negative LC panel product for smartphones (5.0-inch FHD)

LTPS AH-IPS photo alignment and negative LC panel product for smartphones developed in March 2014

Improved luminance and contrast ratio through improvement in panel transmittance (450 nit to 515 nit; 1,000:1 to 1500:1).

7) Developed the world s first 23.8-inch FHD ultra slim and light monitor product

Achieved ultra light design (reduced LCM weight from 2,270g to 1,280g compared to conventional LCMs)

Achieved ultra slim design by using slim component parts (7.6t reduced to 5.5t)

10. Intellectual Property

As of March 31, 2014, our cumulative patent portfolio (including patents that have already expired) included a total of 25,096 patents, consisting of 12,523 in Korea and 12,573 in other countries.

11. Environmental Matters

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

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In 2010, we were designated by the Korean government as one of the companies subject to greenhouse gas emission and energy consumption targets under the Framework Act on Low Carbon, Green Growth. As a result, we may need to invest in additional equipment and there may be other costs associated with meeting reduction targets, which may have a negative effect on our profitability or production activities. In addition, if we fail to meet a reduction target and are unable to comply with the government s subsequent enforcement notice relating to such failure, we may be subject to fines.

In connection with the greenhouse gas emission and energy reduction target system, we submitted a statement of our domestic emissions and energy usage for the 2013 to the Korean government (i.e., the Ministry of Environment and the Ministry of Trade, Industry & Energy) in March 2014 after it was certified by Lloyd s Register Quality Assurance, a government-designated certification agency.

The table below sets forth yearly levels of our greenhouse gases emissions and energy usage in the statement submitted to the Korean government:

(Unit: thousand tonnes of CO_2 equivalent; Tetra Joules)

Category	2013	2012	2011
Greenhouse gases	6,922	6,161	5,928
Energy	61,092	61,169	53,223

Operations at our manufacturing plants are subject to regulation and periodic scheduled and unscheduled on-site inspections by the Korean Ministry of Environment and local environmental protection authorities. We believe that we have adopted adequate anti-pollution measures and have minimized our impact on the environment by improving existing and developing new technologies for the effective maintenance of environmental protection standards consistent with local industry practice. In addition, we have continually monitored, and we believe that we are in compliance in all material respects with, the applicable environmental laws and regulations in Korea. Expenditures related to such compliance may be substantial. Such expenditures are generally included in capital expenditures. As required by Korean law, we employ licensed environmental specialists to manage our air pollution, toxic materials and waste water. In February 2013, to reduce costs and ensure safe water quality, we entered into a contract with a specialist company to operate our waste water treatment facilities. We currently have ISO 14001 certifications with respect to the environmental record for P1 through P98, 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, Yantai and Guangzhou, China.

In addition, with respect to P1 through P98 and our module production plants in Gumi and Paju, we received certification from BSI Group Korea in November 2011 and ISO 5001 certification in December 2013 for our green management system. Furthermore, we have been certified by the Korean Ministry of Environment as a Green Company , with respect to our environmental record for P1 and our module production plant in Gumi since 1997, with respect to our operations at P2 and P3 since 2006, and with respect to our operations at P4, P5 and P6 since 2008. Also, we received certification to self-inspect designated waste products with respect to our Paju plant by the Ministry of Environment in 2011, which was recertified in 2013. In addition, in recognition of our efforts to reduce greenhouse gas emissions, we were awarded a commendation from the Minster of Environment in the efforts against climate change category in the 2013 Green Management Awards, which was jointly hosted by the Ministry of Environment and the Ministry of Trade, Industry & Energy.

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 2011/65/EU, and restricts the use of certain hazardous substances in the manufacture of electrical and electronic equipment.

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

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In October 2005, we became the first display panel company to receive accreditation as an International Accredited Testing Laboratory by the Korea Laboratory Accreditation Scheme, which is operated by the Korean Ministry of Trade, Industry & Energy. In September 2006, we received international accreditation from TUV SUD, EU s German accreditation agency, as a RoHS testing laboratory. Our efforts to keep pace with the increasingly stringent accreditation standards and to receive and maintain such accreditations are part of our on-going efforts to systematically monitor environmentally controlled substances in our component parts inventory. Moreover, we participated in reforming IEC 62321, an international testing standard published by the International Electrotechnical Commission and used by RoHS, and the commission adopted our halogen-free combustion ion chromatography method in as IEC 62321-3-2, which was published in June 2013.

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12. Financial Information

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

(Unit: In millions of Won)

Description	As of March 31, 2014	As of December 31, 2013	As of December 31, 2012	As of December 31, 2011	As of December 31, 2010
Current assets	7,316,308	7,731,788	8,914,685	7,858,065	8,840,433
Quick assets	5,117,464	5,798,547	6,524,678	5,540,695	6,625,216
Inventories	2,198,844	1,933,241	2,390,007	2,317,370	2,215,217
Non-current assets	14,282,636	13,983,496	15,540,826	17,304,866	15,017,225
Investments in equity accounted investees	411,512	406,536	402,158	385,145	325,532
Property, plant and equipment, net	12,139,482	11,808,334	13,107,511	14,696,849	12,815,401
Intangible assets	464,697	468,185	497,602	535,114	539,901
Other non-current assets	1,266,945	1,300,441	1,533,555	1,687,758	1,336,391
Total assets	21,598,944	21,715,284	24,455,511	25,162,931	23,857,658
Current liabilities	7,793,803	6,788,919	9,206,158	9,911,434	8,881,829
Non-current liabilities	3,089,319	4,128,945	5,009,173	5,120,469	3,914,862
Total liabilities	10,883,122	10,917,864	14,215,331	15,031,903	12,796,691
Share capital	1,789,079	1,789,079	1,789,079	1,789,079	1,789,079
Share premium	2,251,113	2,251,113	2,251,113	2,251,113	2,251,113
Reserves	(111,964)	(91,674)	(69,370)	12,181	(35,298)
Retained earnings	6,580,689	6,662,655	6,238,989	6,063,359	7,031,163
Non-controlling interest	206,905	186,247	30,369	15,296	24,910
Total equity	10,715,822	10,797,420	10,240,180	10,131,028	11,060,967

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

Description	For the three months ended March 31, 2014	For the three months ended March 31, 2013	For the three months ended March 31, 2012	For the three months ended March 31, 2011	For the three months ended March 31, 2010
Revenue	5,587,698	6,803,240	6,183,676	5,365,516	5,876,347
Operating profit (loss)	94,281	151,288	(211,173) [1]	(254,546) [1]	790,179 [1]
Operating profit from continuing operations	(81,968)	3,487	(129,233)	(115,426)	648,625
Profit (loss) for the period	(81,968)	3,487	(129,233)	(115,426)	648,625
Profit (loss) attributable to:					
Owners of the Company	(79,951)	3,899	(128,464)	(115,189)	649,066
Non-controlling interest	(2,017)	(412)	(769)	(237)	(441)
Basic earnings (loss) per share	(223)	11	(359)	(322)	1,814
Diluted earnings (loss) per share	(223)	11	(359)	(322)	1,732
Number of consolidated entities	19	18	20	18	16

(1) Restated to retroactively adopt amendment to K-IFRS No. 1001 Presentation of Financial Statements in the presentation of operating profit. Under the amendment, which was adopted for our financial statements for the interim and annual periods since December 31, 2012, operating profit or loss is presented as an amount of revenue less cost of sales, selling and administrative expenses and research and development expenses. Prior to the adoption of the amendment, other income and other expenses were included in the presentation of operating profit or loss.

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

(Unit: In millions of Won)

Description	As of March 31, 2014	As of December 31, 2013	As of December 31, 2012	As of December 31, 2011	As of December 31, 2010
Current assets	6,704,732	6,877,367	8,432,253	7,326,764	8,499,873
Quick assets	5,022,911	5,290,725	6,484,308	5,414,054	6,739,908
Inventories	1,681,821	1,586,642	1,947,945	1,912,710	1,759,965
Non-current assets	13,217,723	13,767,226	15,369,335	16,947,200	14,658,125
Investments	1,821,627	1,820,806	1,468,778	1,386,313	1,279,831
Property, plant and equipment, net	9,792,318	10,294,740	12,004,435	13,522,553	11,688,061
Intangible assets	453,078	461,620	488,663	479,510	483,260
Other non-current assets	1,150,700	1,190,060	1,407,459	1,558,824	1,206,973
Total assets	19,922,455	20,644,593	23,801,588	24,273,964	23,157,998
Current liabilities	7,223,656	6,754,175	9,132,943	9,485,333	8,453,869
Non-current liabilities	3,087,947	4,127,993	5,007,525	5,101,714	3,833,454
Total liabilities	10,311,603	10,882,168	14,140,468	14,587,047	12,287,323
Share capital	1,789,079	1,789,079	1,789,079	1,789,079	1,789,079
Share premium	2,251,113	2,251,113	2,251,113	2,251,113	2,251,113
Reserves	(680)	(305)	(893)	(3,944)	(7,795)
Retained earnings	5,571,340	5,722,538	5,621,821	5,650,669	6,838,278
Total equity	9,610,852	9,762,425	9,661,120	9,686,917	10,870,675

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

Description	For the three months ended March 31, 2014	For the three months ended March 31, 2013	For the three months ended March 31, 2012	For the three months ended March 31, 2011	For the three months ended March 31, 2010
Revenue	5,534,134	6,568,525	5,955,719	5,051,751	5,840,744
Operating profit (loss)	(1,687)	68,578	(263,116) [1]	(317,540) [1]	692,217 [1]
Operating profit (loss) from continuing operations	(148,992)	(57,634)	(175,078)	(154,350)	599,044
Profit (loss) for the period	(148,992)	(57,634)	(175,078)	(154,350)	599,044
Basic earnings (loss) per share	(416)	161	(489)	(431)	1,674
Diluted earnings (loss) per share	(416)	161	(489)	(431)	1,596

(1) Restated to retroactively adopt amendment to K-IFRS No. 1001 Presentation of Financial Statements in the presentation of operating profit. Under the amendment, which was adopted for our financial statements for the interim and annual periods since December 31, 2012, operating profit or loss is presented as an amount of revenue less cost of sales, selling and administrative expenses and research and development expenses. Prior to the adoption of the amendment, other income and other expenses were included in the presentation of operating profit or loss.

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C. Consolidated subsidiaries (as of March 31, 2014)

Company	Primary Business	Location	Equity Interest
LG Display America, Inc.	Sales	U.S.A.	100%
LG Display Germany GmbH	Sales	Germany	100%
LG Display Japan Co., Ltd.	Sales	Japan	100%
LG Display Taiwan Co., Ltd.	Sales	Taiwan	100%
LG Display Nanjing Co., Ltd.	Manufacturing and sales	China	100%
LG Display Shanghai Co., Ltd.	Sales	China	100%
LG Display Poland Sp. zo.o.	Manufacturing and sales	Poland	80%
LG Display Guangzhou Co., Ltd.	Manufacturing and sales	China	100%
LG Display Shenzhen Co., Ltd.	Sales	China	100%
LG Display Singapore Pte. Ltd.	Sales	Singapore	100%
L&T Display Technology (Xiamen) Co., Ltd.	Manufacturing and sales	China	51%
L&T Display Technology (Fujian) Co., Ltd.	Manufacturing and sales	China	51%
LG Display Yantai Co., Ltd.	Manufacturing and sales	China	100%
LG Display (China) Co., Ltd.	Manufacturing and sales	China	70%
LUCOM Display Technology (Kunshan) Limited	Manufacturing and sales	China	51%
LG Display U.S.A. Inc.	Manufacturing and sales	U.S.A.	100%
LG Display Reynosa S.A. de C.V.	Manufacturing	Mexico	100%
Nanumnuri Co., Ltd.	Workplace services	Korea	100%
Unified Innovative Technology, LLC	Managing intellectual property	U.S.A.	100%

D. Status of equity investments (as of March 31, 2014)

Company	Investment Amount		Initial Equity Investment Date	Equity Interest
LG Display America, Inc.	US$	375,000,000	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	2,834,206,315	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	992,062,354	August 7, 2006	100%
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	525,016,000	April 19, 2010	100%
LUCOM Display Technology (Kunshan) Limited	CNY	50,353,677	December 27, 2010	51%
LG Display U.S.A. Inc.	US$	10,920,000	December 8, 2011	100%
LG Display Reynosa S.A. de C.V.	MXN	111,998,058	December 30, 2011	100%
Nanumnuri Co., Ltd.		800,000,000	March 19, 2012	100%
LG Display (China) Co., Ltd. (1)	CNY	2,646,023,882	December 27, 2012	70%
Unified Innovative Technology, LLC (2)	US$	4,000,000	March 21, 2014	100%
Suzhou Raken Technology Co., Ltd.	CNY	636,973,649	October 7, 2008	51%

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Company	Investment Amount	Initial Equity Investment Date	Equity Interest
Paju Electric Glass Co., Ltd.	33,648,000,000	March 25, 2005	40%
TLI Co., Ltd.	14,073,806,250	May 16, 2008	10%
AVACO Co., Ltd.	6,172,728,120	June 9, 2008	16%
New Optics Ltd.	12,199,600,000	July 30, 2008	46%
LIG ADP Co., Ltd.	6,330,000,000	February 24, 2009	13%
Wooree E&L Co., Ltd. (formerly Wooree LED Co., Ltd.)	11,900,000,000	May 22, 2009	21%
Global OLED Technology LLC	US$ 45,170,000	December 23, 2009	33%
LB Gemini New Growth Fund No. 16 (3)	20,939,282,659	December 7, 2009	31%
Can Yang Investment Ltd.	US$ 15,300,000	January 27, 2010	9%
YAS Co., Ltd.	10,000,000,000	September 16, 2010	19%
Narae Nanotech Corporation	30,000,000,000	April 22, 2011	23%
Avatec Co., Ltd.	10,600,000,000	December 6, 2011	16%
Glonix Co., Ltd.	2,000,000,000	April 10, 2012	20%

(1) In January 2014, we invested CNY333 million in LG Display (China) Co., Ltd. The investment did not affect our percentage interest.
(2) In March 2014, we invested US$4 million and established United Innovative Technology, LLC, a wholly owned subsidiary. In April 2014, we an additional investment of US$5 million. The additional investment did not affect our percentage interest.
(3) In January and March 2014, we received distributions of 1,035 million and 921 million, respectively, as return of principal from our investments in LB Gemini New Growth Fund No. 16. In March 2014, we invested 324 million in the fund. The investment did not affect our percentage interest.

13. Audit Information

A. Audit service

(Unit: In millions of Won, hours)

Description	2014	2013	2012
Auditor	KPMG Samjong	KPMG Samjong	KPMG Samjong
Activity	Audit by independent auditor	Audit by independent auditor	Audit by independent auditor
Compensation (1)	910 (326) (2)	910 (325) (2)	850 (285) (2)
Time required	3,315	16,202	16,792

(1) Compensation amount is the contracted amount for the full fiscal year.
(2) Compensation amount in ( ) is for Form 20-F filing and SOX 404 audit.

B. Non-audit service

Not applicable.

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14. Board of Directors

A. Members of the board of directors

As of March 31, 2014 our board of directors consist of two non-outside directors, one non-standing director and four outside directors.

(As of March 31, 2014)

Name	Date of birth	Position	Experience (including current position)	First elected
Sang Beom Han	June 18, 1955	Representative Director (non-outside), Chief Executive Officer and President	Head of LG Display TV Business Division	March 9, 2012
Sangdon Kim [(1)]	October 20, 1962	Director (non-outside), Chief Financial Officer and Senior Vice President	Chief Financial Officer and Senior Vice President of Serveone; Head of Jeong-Do Management Department of LG Uplus	March 7, 2014
Yu Sig Kang [(2)]	November 3, 1948	Director (non-standing)	Representative Director of LG Corp.	March 11, 2011
Tae Sik Ahn	March 21, 1956	Outside Director	Professor, School of Business Administration, Seoul National University	March 12, 2010
Jin Jang [(3)]	November 28, 1954	Outside Director	Chair Professor, Department of Information Display, Kyung Hee University	March 11, 2011
Dong Il Kwon	February 5, 1957	Outside Director	Professor, Department of Materials Science and Engineering, Seoul National University	March 9, 2012
Joon Park	October 30, 1954	Outside Director	Professor, School of Law, Seoul National University	March 8, 2013

(1) Sangdon Kim was elected as a non-outside director at our general meeting of shareholders held on March 7, 2014.
(2) Yu Sig Kang was reelected as a non-standing director at our general meeting of shareholders held on March 7, 2014.
(3) Jin Jang was reelected as a non-standing director at our general meeting of shareholders held on March 7, 2014.

B. Committees of the board of directors

As of March 31, 2014, we have the following committees that serve under our board of directors: Audit Committee, Outside Director Nomination Committee and Management Committee.

(as of March 31, 2014)

Committee	Composition	Member
Audit Committee	3 outside directors	Tae Sik Ahn, Joon Park, Jin Jang
Outside Director Nomination	1 non-standing director and 2 outside directors	Yu Sig Kang, Tae Sik Ahn, Dong Il Kwon
Management Committee	2 non-outside directors	Sang Beom Han, Sangdon Kim

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C. 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 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.

15. Information Regarding Shares

A. Total number of shares

(1) Total number of shares authorized to be issued (as of March 31, 2014): 500,000,000 shares.

(2) Total shares issued and outstanding (as of March 31, 2014): 357,815,700 shares.

B. Shareholder list

(1) Largest shareholder and related parties as of March 31, 2014:

Name	Relationship	Number of shares of common stock	Equity interest
LG Electronics	Largest Shareholder	135,625,000	37.9%
Sang Beom Han	Related Party	4,204	0.0%

(2) Shareholders who are known to us to own 5% or more of our shares as of March 31, 2014:

Beneficial owner	Number of shares of common stock	Equity interest
LG Electronics	135,625,000	37.9%
National Pension Service	25,237,480	7.1%

16. Directors and Employees

A. Directors

(1) Remuneration for directors in 2014 Q1

(Unit: person, in millions of Won)

Classification	No. of directors [1]	Amount paid [2]	Per capita average remuneration paid [4]
Non-outside directors	3	813 [3]	271
Outside directors who are not audit committee members	1	17	17
Outside directors who are audit committee members	3	50	17
Total	7	880	

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(1) Number of directors as at March 31, 2014.
(2) Amount paid is calculated on the basis of amount of cash actually paid.
(3) Among the non-outside directors, Yu Sig Kang does not receive any remuneration.
(4) Per capita average remuneration paid is calculated by dividing total amount paid by the average number of directors for the year ended March 31, 2014.

(2) Remuneration for individual directors and audit committee members

Individual amount of remuneration paid in 2014 Q1

(Unit: in millions of Won)

Name	Position	Total remuneration	Payment not included in total remuneration
Sang Beom Han	President	604	

Method of calculation

Name	Method of calculation
Sang Beom Han	Total remuneration: 604 million (consisting of 242 million in salary and 362 million in bonus). Salary and bonus amounts determined by the HR personnel policy for executive directors.

(3) Stock options

Not applicable.

B. Employees

As of March 31, 2014, we had 33,205 employees (excluding our executive officers). On average, our male employees have served 6.4 years and our female employees have served 4.6 years. The total amount of salary paid to our employees for the three months ended March 31, 2014 based on income tax statements submitted to the Korean tax authority in accordance with Article 20 of the Income Tax Act was 418,340 million for our male employees and 113,133 million for our female employees. The following table provides details of our employees as of March 31, 2014

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

	Number of employees [1]	Total salary in 2014 Q1 [2] [3] [4]	Total salary per capita [5]	Average years of service
Male	23,681	418,340	18	6
Female	9,524	113,133	12	5
Total	33,205	531,473	16	6

(1) Includes part-time employees.
(2) Welfare benefits and retirement expenses have been excluded. Total welfare benefit provided to our employees for the three months ended March 31, 2014 was 86,912 million and the per capita welfare benefit provided was 2.6 million.
(3) Based on income tax statements, which are submitted to the Korean tax authority in accordance with Article 20 of the Income Tax Act.
(4) Includes incentive payments to employees who have transferred from our affiliated companies.
(5) Calculated using the average number of employees (male: 23,763, female: 9,740) for the three months ended March 31, 2014.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Financial Statements

(Unaudited)

March 31, 2014 and 2013

(With Independent Auditors Review Report Thereon)

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Independent Auditors Review Report

Based on a report originally issued in Korean

To the Board of Directors and Shareholders

LG Display Co., Ltd.:

Reviewed Financial Statements

We have reviewed the accompanying condensed consolidated interim financial statements of LG Display Co., Ltd. and subsidiaries (the Group) which comprise the condensed consolidated interim statement of financial position as of March 31, 2014 and the condensed consolidated interim statements of comprehensive income (loss), changes in equity and cash flows for the three-month periods ended March 31, 2014 and 2013, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management s Responsibility for the Condensed Consolidated Interim Financial Statements

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

Auditors Responsibility

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

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

Conclusion

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

Emphasis of Matter

As discussed in note 17 to the condensed consolidated interim financial statements, the Group has been or is under investigations by antitrust authorities in several countries with respect to possible anti-competitive activities in the Liquid Crystal Display (LCD) industry and named as defendants in a number of individual lawsuits and class actions in the United States and Canada, respectively, in connection with alleged antitrust violations concerning the sale of

LCD panels. The Group estimated and recognized losses related to these investigations and alleged violations. However, actual losses are subject to change in the future based on new developments in each matter, or changes in circumstances, which could be materially different from those estimated and recognized by the Group.

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Other Matters

The procedures and practices utilized in the Republic of Korea to review such condensed consolidated interim financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying condensed consolidated interim financial statements are for use by those knowledgeable about Korean review standards and their application in practice.

We audited the consolidated statement of financial position as of December 31, 2013 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, which are not accompanying this review report, in accordance with auditing standards generally accepted in the Republic of Korea, and our report thereon, dated February 19, 2014, expressed an unqualified opinion. The accompanying condensed consolidated statement of financial position of the Group as of December 31, 2013, presented for comparative purposes, is not different from that audited by us from which it was derived in all material respects.

/s/ KPMG Samjong Accounting Corp.
Seoul, Korea
May 2, 2014

This report is effective as of May 2, 2014 the review report date. Certain subsequent events or circumstances**,** which may occur between the review report date and the time of reading this report, could have a material impact on the accompanying condensed consolidated interim financial statements and notes thereto. Accordingly, the readers of the review report should understand that the above review report has not been updated to reflect the impact of such subsequent events or circumstances, if any.

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LG DISPLAY CO., LTD. AND SUBSIDIARIES

Condensed Consolidated Interim Statements of Financial Position

(Unaudited)

As of March 31, 2014 and December 31, 2013

(In millions of won)	Note	March 31, 2014	December 31, 2013
Assets			
Cash and cash equivalents	9	550,122	1,021,870
Deposits in banks	9	1,470,573	1,301,539
Trade accounts and notes receivable, net	9,16,19	2,573,566	3,128,626
Other accounts receivable, net	9	85,360	89,545
Other current financial assets	9	937	919
Inventories	5	2,198,844	1,933,241
Prepaid income taxes		5,002	4,066
Other current assets		431,904	251,982
Total current assets		7,316,308	7,731,788
Investments in equity accounted investees	6	411,512	406,536
Other non-current financial assets	9	45,499	46,259
Property, plant and equipment, net	7,20	12,139,482	11,808,334
Intangible assets, net	8,20	464,697	468,185
Deferred tax assets	21	956,534	1,037,000
Other non-current assets		264,912	217,182
Total non-current assets		14,282,636	13,983,496
Total assets		21,598,944	21,715,284
Liabilities			
Trade accounts and notes payable	9,19	2,965,129	2,999,522
Current financial liabilities	9,10	1,298,532	907,942
Other accounts payable	9,19	2,010,100	1,454,339
Accrued expenses		437,501	491,236
Income tax payable		50,586	46,777
Provisions	17	185,537	200,731
Advances received	16	805,694	656,775
Other current liabilities		40,724	31,597
Total current liabilities		7,793,803	6,788,919
Non-current financial liabilities	9,10	2,466,603	2,994,837
Non-current provisions		4,580	5,005

Defined benefit liabilities, net	14	386,095	319,087
Long-term advances received	16	192,384	427,397
Deferred tax liabilities	21	214	119
Other non-current liabilities		39,443	382,500
Total non-current liabilities		3,089,319	4,128,945
Total liabilities		10,883,122	10,917,864
Equity			
Share capital	18	1,789,079	1,789,079
Share premium		2,251,113	2,251,113
Reserves	18	(111,964)	(91,674)
Retained earnings		6,580,689	6,662,655
Total equity attributable to owners of the Controlling Company		10,508,917	10,611,173
Non-controlling interests		206,905	186,247
Total equity		10,715,822	10,797,420