

2022 Q3 Earnings Results

October 26, 2022 | Investor Relations

Disclaimer

At the time, the external auditor has not yet completed its review of LG Display's 3Q 2022 earnings report. The following is provided for the convenience of our investors and the contents herein are subject to change during the audit review process of the external auditor.

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

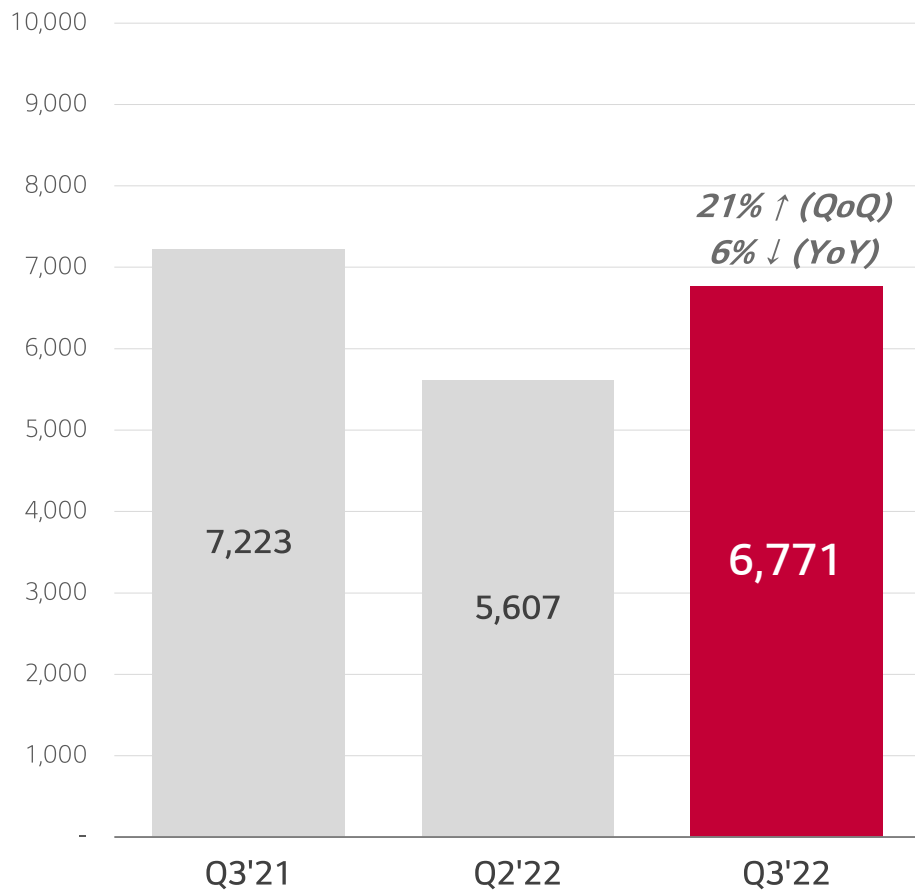
Please note that expectations and projections about future events included in this data reflect existing market conditions and LG Display's current management direction and may vary based on changes to the market environment or the company's strategic direction.

Pursuant to our early adoption of certain amendments to "K-IFRS No. 1016 Property, Plant and Equipment: Proceeds before Intended Use," we have retroactively restated our results of operations for the year ended December 31, 2020.

Revenues & Profits

Revenues

(Unit : KRW B)



Profits

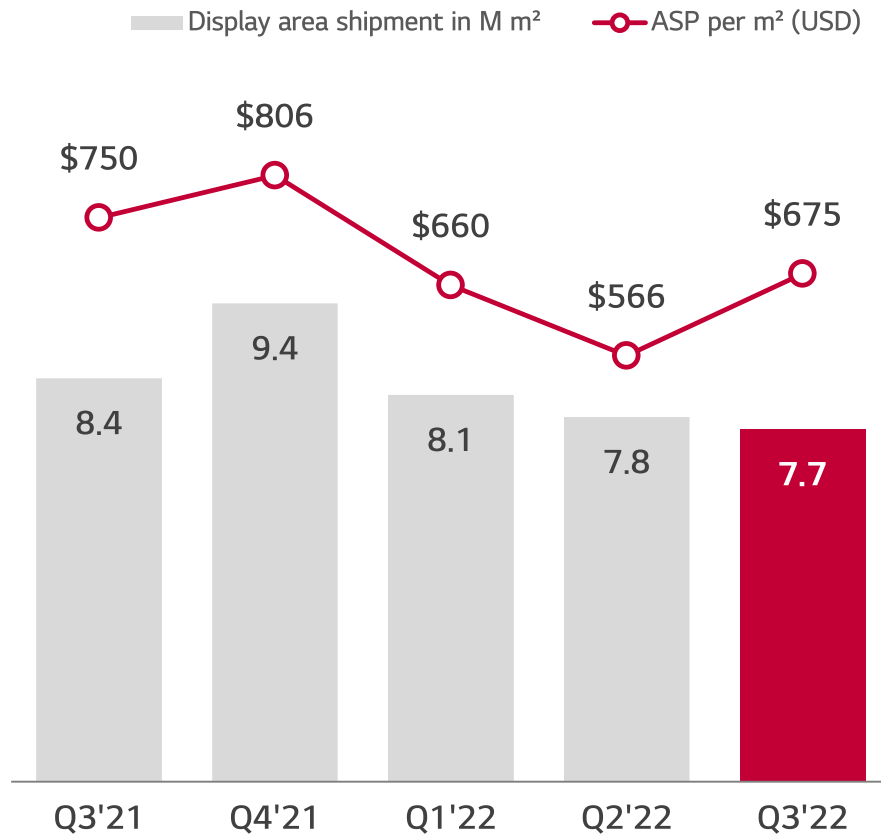
(Unit : KRW B, %)

	Q3'21	Q2'22	Q3'22	QoQ	YoY
Operating Income	529 7%	-488 -9%	-759 -11%	N/A	N/A
EBITDA*	1,696 23%	662 12%	391 6%	-41%	-77%
Income Before Tax	609	-512	-1,099	N/A	N/A
Net Income	464	-382	-774	N/A	N/A

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

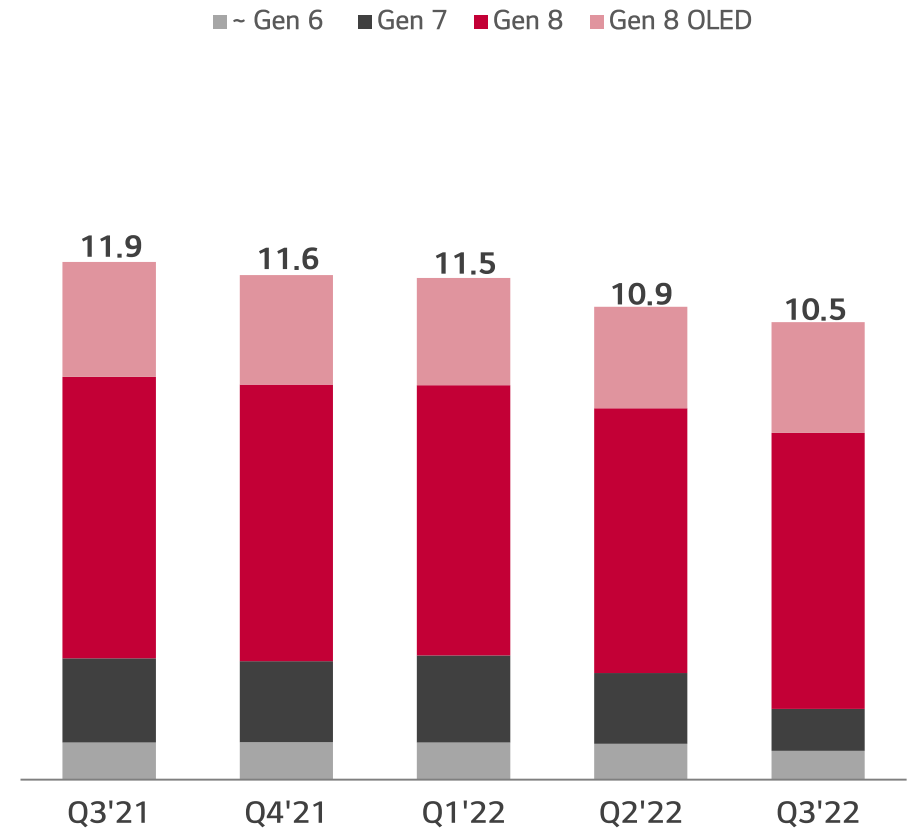
Shipment, ASP and Capacity

Shipment and ASP

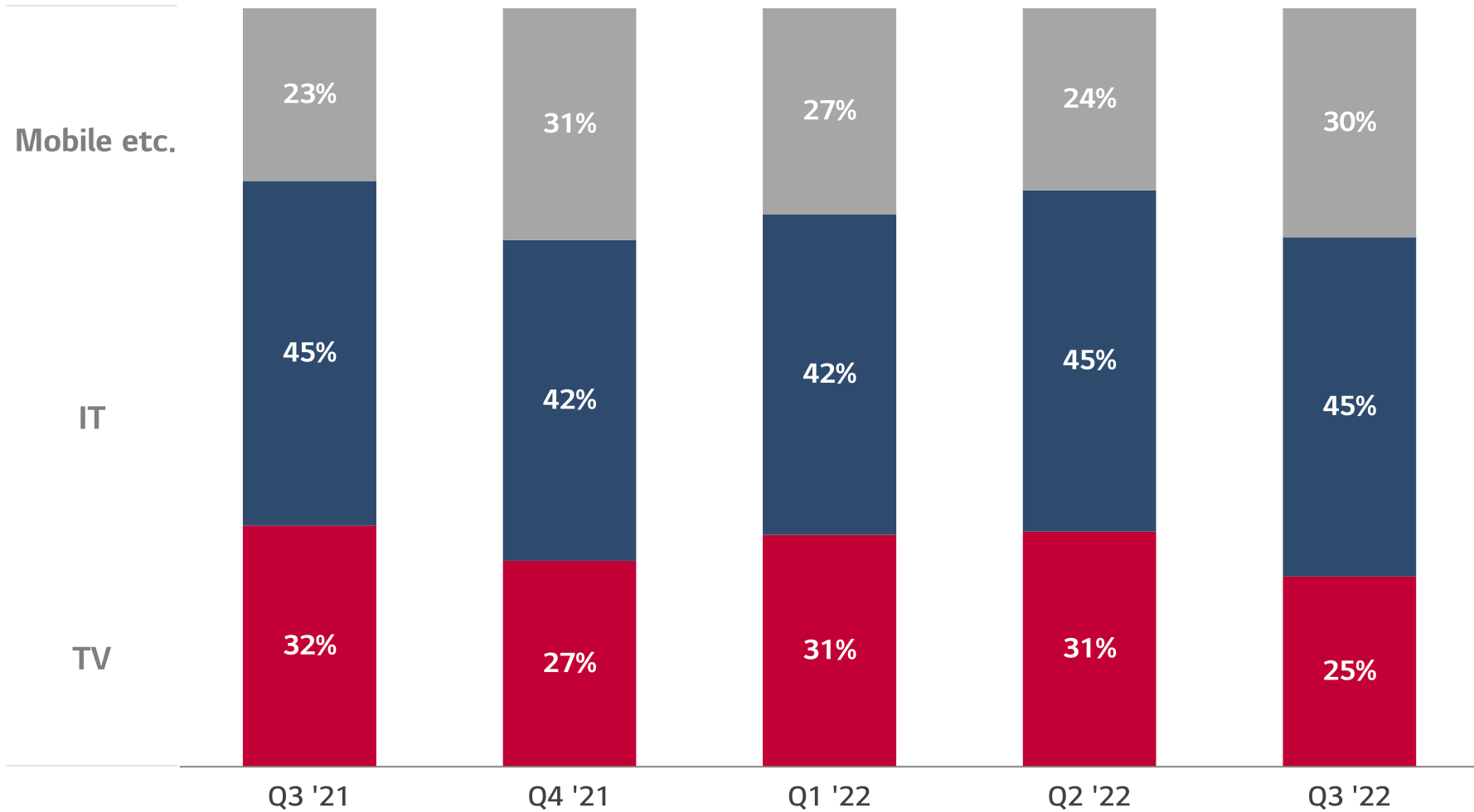


Capacity

(Unit : M m²)



Revenue: Product Mix



Financial Positions & Ratios

Financial Positions

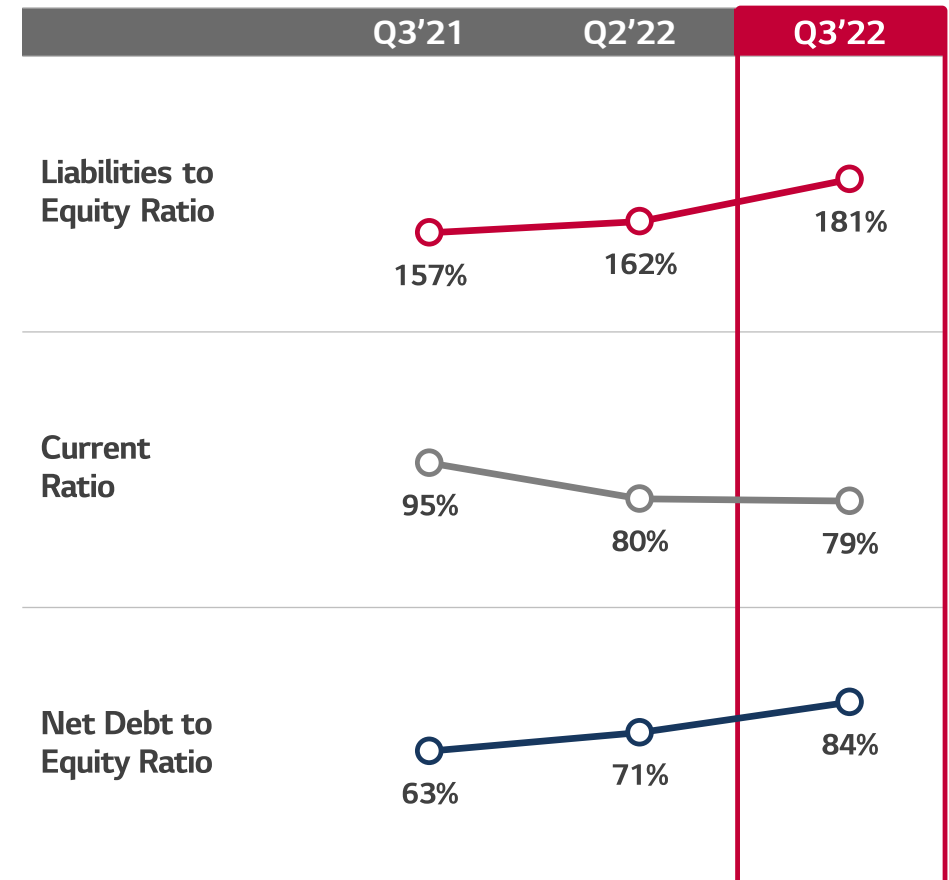
(Unit : KRW B)

	Q3'21	Q2'22	Q3'22
Asset	37,602	38,305	40,134
Current Assets	13,047	11,990	11,779
Cash *	4,209	3,669	3,264
Inventory	3,580	4,722	4,517
Non-Current Assets	24,555	26,315	28,355
Liabilities	22,995	23,675	25,850
Current Liabilities	13,666	14,976	14,963
Non-Current Liab.	9,328	8,700	10,887
Shareholders' Equity	14,607	14,630	14,284
Debts	13,451	13,987	15,291
Net Debts	9,242	10,318	12,027

* Cash includes short term financial instruments.

Financial Ratios

(Unit : KRW B)

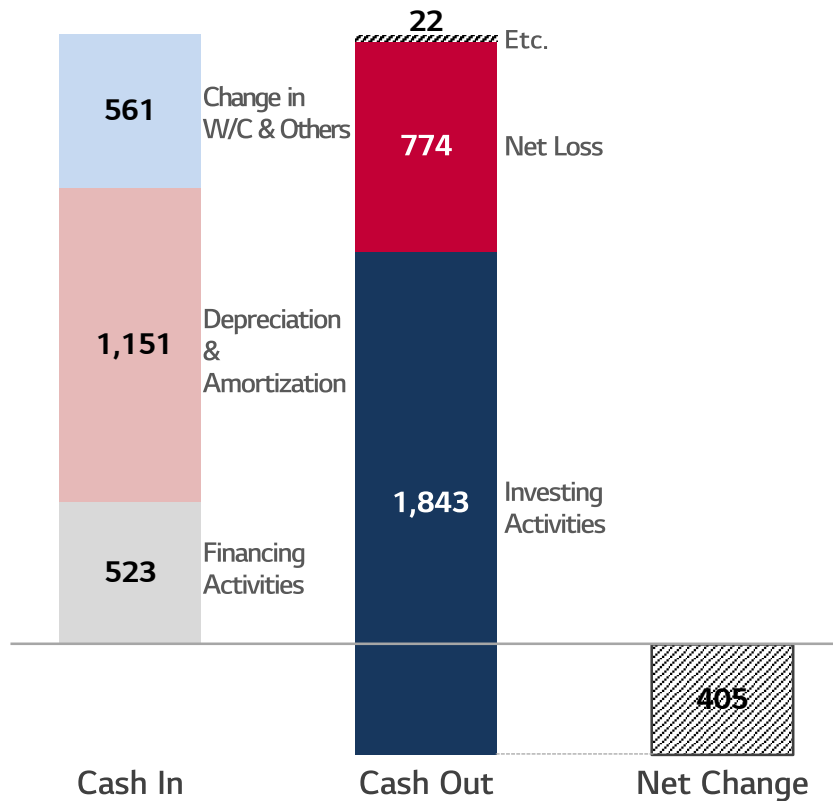


K-IFRS (Consolidated)

Cash Flow

Net Cash Flow

(Unit : KRW B)



* Cash includes deposits at financial institutions
 * Change of W/C includes F/X effects

Cash Flow Statement

(Unit : KRW B)

	Q3'22
Cash at the Beginning of Quarter	3,669
Cash Flow from Operating Activities	937
Net Loss	(774)
Depreciation & Amortization	1,151
Change in Working Capital & Others	561
Cash Flow from Investing Activities	(1,843)
Cash Flow before Financing Activities	(906)
Financing Activities	523
ETC.	(22)
Net Change in Cash	(405)
Cash at the End of Quarter	3,264

K-IFRS (Consolidated)



Appendix. IFRS Statements of Income



(Unit : KRW Bn)

Accounts	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22
Revenue	5,822	6,422	23,476	4,724	5,307	6,738	7,493	24,262	6,883	6,966	7,223	8,807	29,878	6,471	5,607	6,771
COGS	5,520	5,969	21,607	4,446	5,179	5,892	6,109	21,626	5,651	5,515	5,915	7,492	24,573	5,654	5,332	6,721
Gross Profit	302	452	1,868	278	128	845	1,384	2,636	1,232	1,451	1,308	1,315	5,305	818	276	51
Operating Income	-436	-422	-1,359	-362	-517	164	678	-36	523	701	529	476	2,231	38	-488	-759
EBITDA	613	586	2,336	630	413	1,288	1,766	4,098	1,620	1,770	1,696	1,645	6,731	1,211	662	391
Income before tax	-600	-2,173	-3,344	-295	-669	-54	416	-602	324	550	609	236	1,719	37	-512	-1,099
Net Income	-442	-1,817	-2,872	-199	-504	11	615	-76	266	424	464	180	1,334	54	-382	-774
EPS (Unit: KRW)	-1,236	-5,078	-8,027	-556	-1,408	31	1,720	-213	744	1,185	1,296	502	3,727	152	-1,068	-2,163
Margins (%)																
Gross Margin	5.2	7.0	8.0	5.9	2.4	12.5	18.5	10.9	17.9	20.8	18.1	14.9	17.8	12.6	4.9	0.8
Operating Margin	-7.5	-6.6	-5.8	-7.7	-9.7	2.4	9.0	-0.1	7.6	10.1	7.3	5.4	7.5	0.6	-8.7	-11.2
EBITDA Margin	10.5	9.1	10.0	13.3	7.8	19.1	23.6	16.9	23.5	25.4	23.5	18.7	22.5	18.7	11.8	5.8

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

Appendix. IFRS Statements of Financial Position



(Unit : KRW Bn)

Accounts	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22
Asset	37,443	35,575	35,886	35,054	35,497	35,066	36,392	36,319	37,602	38,155	38,267	38,305	40,134
A/R	3,621	3,154	2,749	2,803	3,769	3,518	4,309	4,208	4,288	4,575	3,774	2,683	2,865
Cash*	2,838	3,415	3,637	3,599	3,367	4,297	4,352	4,317	4,209	4,285	4,111	3,669	3,264
Inventory	2,727	2,051	2,310	2,039	2,400	2,171	2,352	2,723	3,580	3,350	4,230	4,722	4,517
Liabilities	23,117	23,086	23,323	22,953	23,323	22,335	23,158	22,563	22,995	23,392	23,510	23,675	25,850
A/P	2,673	2,618	2,872	3,466	4,037	3,779	3,975	3,737	4,329	4,814	5,270	4,491	5,029
Short-term debts	1,875	1,940	2,847	3,099	2,531	3,101	3,671	4,402	4,907	4,007	4,805	6,011	5,156
Long-term debts	11,554	11,541	11,706	11,545	11,843	10,968	10,638	9,416	8,544	8,657	8,247	7,975	10,135
Shareholders' Equity	14,326	12,488	12,563	12,101	12,174	12,731	13,234	13,756	14,607	14,763	14,757	14,630	14,284
BPS (Unit : KRW)	40,037	34,901	35,110	33,818	34,024	35,581	36,985	38,444	40,823	41,257	41,243	40,888	39,919
Net debt to equity ratio (%)	73.9	80.6	86.9	91.3	90.4	76.8	75.2	69.1	63.3	56.8	60.6	70.5	84.2

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

* Cash includes short term financial instruments

Appendix. IFRS Statements of Cash Flow

(Unit: KRW Bn)

Accounts	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22
Net Income	-442	-1,817	-2,872	-199	-504	11	616	-76	266	424	464	180	1,334	54	-382	-774
Depreciation & Amortization	1,049	1,008	3,695	992	930	1,124	1,088	4,134	1,097	1,068	1,167	1,169	4,501	1,172	1,151	1,151
Others	590	1,137	2,069	-915	-715	86	-931	-2,475	477	512	192	286	1,467	-852	-129	0
Working Capital*	-1,245	1,088	-154	400	811	-756	223	678	-777	-508	-345	428	-1,202	378	-181	561
Cash Flow from Operating Activities	-48	1,416	2,738	278	522	465	996	2,261	1,063	1,496	1,478	2,063	6,100	752	459	937
Cash Flow from Investing Activities **	-1,459	-1,051	-6,755	-812	-883	-370	-246	-2,311	-778	-916	-966	-986	-3,646	-1,201	-1,276	-1,843
Net Cash flow before Financing Activities	-1,507	365	-4,017	-534	-361	95	750	-50	285	580	512	1,077	2,454	-449	-817	-906
Financing Activities	1,858	232	4,783	774	255	-310	114	833	-214	-599	-603	-983	-2,399	298	647	523
Dividends	0	0	0	0	0	0	0	0	0	0	0	0	0	0	-233	0
Change in non-controlling interest***	-15	-20	205	-18	68	-17	66	99	-16	-16	-17	-18	-67	-23	-39	-22
Net Change in cash	336	577	971	222	-38	-232	930	882	55	-35	-108	76	-12	-174	-442	-405

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

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

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

*** Equity investments from other companies

Appendix. EBITDA Calculation

(Unit: KRW Bn)

Accounts	Q3'19	Q4'19	2019	Q1'20	Q2'20	Q3'20	Q4'20	2020	Q1'21	Q2'21	Q3'21	Q4'21	2021	Q1'22	Q2'22	Q3'22
1. Operating Income	-436	-422	-1,359	-362	-517	164	678	-36	523	701	529	476	2,231	38	-488	-759
2. Depreciation	947	911	3,269	889	820	1,022	995	3,726	988	944	1,010	1,035	3,977	1,039	1,016	1,014
3. Amortization	102	97	426	103	110	102	93	408	109	125	157	133	523	134	134	137
EBITDA (1+2+3)	613	586	2,336	630	413	1,288	1,766	4,098	1,620	1,770	1,696	1,645	6,731	1,211	662	391

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

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

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

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

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

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