

LG Display Co., Ltd.  
Form 6-K  
November 12, 2008  
Table of Contents

# 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 Nov 2008

## LG Display Co., Ltd.

(Translation of Registrant's name into English)

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

(Address of principal executive offices)

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

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  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

---

**Table of Contents**

QUARTERLY REPORT

(From January 1, 2008 to September 30, 2008)

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

IN THE TRANSLATION PROCESS, SOME PARTS OF THE REPORT WERE REFORMATTED, REARRANGED OR SUMMARIZED FOR THE CONVENIENCE OF READERS.

UNLESS EXPRESSLY STATED OTHERWISE, ALL INFORMATION CONTAINED HEREIN IS PRESENTED ON A NON-CONSOLIDATED BASIS IN ACCORDANCE WITH ACCOUNTING PRINCIPLES GENERALLY ACCEPTED IN KOREA, OR KOREAN GAAP, 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.

**Contents**

1. Overview
  - A. Industry
  - B. Company
  - C. Recent developments
2. Information Regarding Shares
  - A. Change in capital stock
  - B. Convertible bonds
  - C. Shareholder list
  - D. Voting rights
  - E. Dividends
3. Major Products and Materials
  - A. Major products in 2008 (Q1~Q3)
  - B. Average selling price trend of major products
  - C. Major materials
  - D. Price trend of major materials
4. Production & Equipment
  - A. Production capacity and calculation
  - B. Production performance and working ratio
  - C. Investment plan
5. Sales
  - A. Sales performance
  - B. Sales route and sales method
6. Directors & Employees
  - A. Members of the Board of Directors
  - B. Committees of the Board of Directors
  - C. Director & Officer Liability Insurance
  - D. Employees
  - E. Stock option
7. Financial Information
  - A. Financial highlights

Edgar Filing: LG Display Co., Ltd. - Form 6-K

- B. R&D expense
- C. Domestic credit rating
- D. Remuneration for directors in 2008 (Q1~Q3)
- E. Derivative contracts
- F. Status of equity investment

8. Subsequent Event

- Attachment:
- 1. Korean GAAP Non-consolidated Financial Statements
  - 2. Korean GAAP Consolidated Financial Statements
  - 3. U.S. GAAP Consolidated Financial Statements

**Table of Contents**

A. Industry

(1) Industry characteristics and growth potential

TFT-LCD technology is one of the most 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 strong competition between a relatively small number of players within the industry and production capacity in the industry, including ours, is being continually increased.

The demand for LCD panels for notebook computers & monitors has been closely related to the IT industry cycle. The demand for LCD panels for TVs has been growing as HDTV broadcasting is becoming more common and as LCD TV has come to play an important role in the digital display market. There is competition between TFT-LCD and PDP technologies in the area of large flat TV products. In addition, markets for small- to medium-sized LCD panels, such as mobile phones, P-A/V, medical applications and automobile navigation systems, among others, are growing steadily.

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 advances and cost reductions.

(2) Cyclicity

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

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

During such surges in capacity growth, our customers can exert and have exerted strong downward pricing pressure, resulting in sharp declines in average selling prices and significant fluctuations in our gross margins. Conversely, demand surges and fluctuations in the supply chain can lead to price increases.

(3) Competitiveness

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

## Table of Contents

Core competitiveness includes technology leadership, capability to design new products and premium products, timely investment in advanced fabs, cost leadership through application of large production lines, innovation of process and productivity, and collaborative customer relationships.

Most importantly, cost leadership and stable and long-term relationships with customers are critical to secure profit 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 thus 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. 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 highly skilled line operators.

### (4) Sourcing material

Key materials (including color filters) are sourced in-house as well as from domestic and overseas vendors.

A shortage of raw materials may arise temporarily due to an increase in demand for raw materials resulting from capacity expansion in the TFT-LCD industry.

A substantial portion of our equipment is sourced from a limited number of qualified foreign and local suppliers. From time to time, increased demand for new equipment may cause lead times to extend beyond those normally required by the equipment vendors.

### (5) Others

Most TFT-LCD panel makers are located in Asia.

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

b. Taiwan: AU Optronics, Chi Mei Optoelectronics, CPT, etc.

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

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

### B. Company

#### (1) Business overview

Commercial production for our TFT-LCD business began in September 1995 at P1, which was then the first fabrication facility of LG Electronics. At the end of 1998, LG Electronics and LG Semicon transferred their respective TFT-LCD related

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

businesses to LG Soft Co., Ltd (currently LG Display). It became a joint venture between LG Electronics and Philips Electronics in August 1999. In July 2004, we completed our initial public offering and listed our common stock on the Korea Exchange and our ADSs on the New York Stock Exchange. As

**Table of Contents**

of September 30, 2008, we operate seven fabrication facilities located in Gumi and Paju, Korea, and a total of seven module facilities located in Gumi and Paju, Korea, Nanjing (3 factories) and Guangzhou, China, and Wroclaw, Poland.

We became the first LCD maker in the world to commence commercial production at a 4th generation fab (P3) in July 2000 and at a 5th generation fab (P4) in March 2002, and we started mass production at our 6th generation fab (P6) in August 2004, which allows us to produce LCD panels for large TVs and monitors. With the commencement of mass production at our 7th generation fab (P7) in January 2006 and with our decision to invest in an 8th generation fab (P8) in October 2007, we are expanding our production capacity in line with the growing large-sized LCD TV market. In addition, in July 2008, we decided to increase our TFT-LCD production capacity in Gumi to prepare for the growth of the TFT-LCD market.

Our non-consolidated sales decreased by approximately 2% from KRW 3,975 billion in the third quarter of 2007 to KRW 3,891 billion in the third quarter of 2008. Our non-consolidated operating income decreased by approximately 73% from KRW 709 billion in the third quarter of 2007 to KRW 190 billion in the third quarter of 2008. Our non-consolidated net income decreased by approximately 44% from KRW 524 billion in the third quarter of 2007 to KRW 291 billion in the third quarter of 2008. (Our consolidated sales under Korean GAAP decreased by approximately 2% from KRW 3,953 billion in the third quarter of 2007 to KRW 3,861 billion in the third quarter of 2008. Our consolidated operating income under Korean GAAP decreased by approximately 63% from KRW 693 billion in the third quarter of 2007 to KRW 254 billion in the third quarter of 2008. Our consolidated net income decreased by approximately 44% from KRW 524 billion in the third quarter of 2007 to KRW 295 billion in the third quarter of 2008.)

We reinforced our position as a leader in LCD technology by developing public displays such as the world's largest 52-inch multi-touch screen panel and a 47-inch triple-view panel as well as the world's largest 6-inch oval LCD panel, a 17.1-inch switchable 3D display which function allows for a 2D/3D conversion with ease, a 15-inch TFT LCD panel with a C/F board that applies the roller printing method and a 15-inch AM OLED that uses the a-Si method.

Moreover, we formed strategic alliances or entered into long-term sales contracts with major global firms such as Dell, Hewlett Packard and Kodak of the United States and Japan's Toshiba, among others, to secure customers and expand partnerships for technology development.



**Table of Contents**

## (2) Market shares

Our worldwide market share for large-size TFT-LCD panels (10-inch or large) based on revenue

	<b>2008</b> <b>(Q1-Q3)</b>	<b>2007</b>	<b>2006</b>
Panel for Notebook Computers	29.3%	28.5%	26.2%
Panel for Monitors	16.9%	15.6%	15.6%
Panel for TVs	18.1%	22.0%	23.6%
Total	19.7%	20.4%	20.5%

\* Source: DisplaySearch [Q4] 2008

## (3) Market characteristics

The LCD panel has become the core component of the display industry and the demand for LCD panels has been growing steadily.

Due to the recent high growth in the display appliance market for the flat display format, the scale of the LCD market is growing, resulting in expansion of the market centered mainly in America, Japan, Europe and China.

The growth of the LCD market has mainly been driven by the demand for IT-related products. However, it is anticipated that the LCD TV display market, which has grown rapidly in recent years, will provide the main source of steady growth of the LCD market.

## (4) New business

As of the end of the third quarter of 2008, P7 in our Paju Display Cluster reached an expanded production capacity of over 150 thousand sheets of glass substrates per month and we have commenced the construction of P8 (8th generation fab) in anticipation of growth in the large-sized TFT-LCD market.

In May 2006, we entered into an investment agreement with the Guangzhou Development District Administrative Committee to construct a module production plant in Guangzhou, China, and in June 2006, we established LG Display Guangzhou Co., Ltd. (f/k/a LG.Philips LCD Guangzhou Co., Ltd.). We commenced mass production at the new module production plant in December 2007 and we held an opening ceremony for the module production plant in April 2008.

In June 2008, we launched the OLED Business Unit in anticipation of future growth in the OLED business. In addition, we also plan to strengthen our market position in the future display technologies by accelerating the development of flexible display technologies and leading the LED back-light LCD market.

In order to facilitate a cooperative purchasing relationship with HannStar Display Corporation (HannStar), a company that manufactures TFT-LCD panels in Taiwan, we decided to purchase 180 million shares of preferred stock of HannStar at a

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

purchase price of NT\$3,170,250,000. We acquired the preferred shares in February 2008. The preferred shares mature in three years and are convertible into shares of common stock of HannStar.

We are making an effort to increase our competitiveness by forming cooperative relationships with our suppliers and purchasers of our products. As part of this effort, in June 2008 we purchased 2,037,204 shares of AVACO, which produces sputters, a core equipment for LCD production, and we purchased 1,008,875 shares of TLI Co., Ltd.,

**Table of Contents**

which produces core LCD panel components such as Timing Controllers and Driver ICs. By promoting strategic relationships with equipments and parts suppliers, which enables us to obtain a stable source of supply of equipments and parts at competitive prices, we have strengthened our competitive position in the LCD business.

In July 2008, we and Skyworth RGB Electronics founded a R&D joint venture corporation with a registered capital of CNY 50 million in China.

In August 2008, we entered into a joint venture company agreement with AmTRAN Technology Co., Ltd. ( AmTRAN ), a Taiwan corporation, in order to produce (i) LCD modules and (ii) LCD TV sets manufactured using the EMS (Electronic Manufacturing System) method. Through the establishment of this joint venture with AmTRAN, we are able to further expand our customer base by securing a long term stable panel dealer. It also allows us to produce LCD modules and LCD TV sets in a single factory, which enables us to provide our customers with products that are competitive both in terms of technology and price.

In July 2008, we purchased 6,850,000 shares of the common stock of New Optics, which is approximately 36.7% of its outstanding shares, as part of our strategy to increase our competitiveness by forming cooperative relationships with our suppliers.

(5) Organization chart as of September 30, 2008

CEO: Chief Executive Officer

CFO: Chief Financial Officer

CPO: Chief Production Officer

CTO: Chief Technology Officer

C. Recent developments

(1) January 2008: Acquired OLED business from LG Electronics

**Table of Contents**

(2) March 2008: Changed the name of the Company from LG.Philips LCD Co., Ltd. to LG Display Co., Ltd.

(3) Major contracts

February 2008: Extended trademark license agreement with Philips Electronics  
(January 1, 2008 ~ June 30, 2008)

February 2008: Extended trademark license agreement with LG Corp.  
(January 1, 2008 ~ December 31, 2010)

April 2008: Entered into an agreement with Skyworth RGB Electronics to establish a research and development joint venture company

June 2008: Skyworth TV Holdings Limited purchased a 16% interest in LG Display Guangzhou Co., Ltd

August 2008: Entered into an agreement with AmTRAN to establish a joint venture company in China

**2. Information Regarding Shares**

A. Change in Capital Stock

		(Unit: KRW, Share)	
Date	Descriptions	Change in number of common shares	Face amount per share
July 27, 2005	Follow-on offering*	32,500,000	5,000

\* ADSs offering: 32,500,000 shares (US\$42.64 per share, US\$21.32 per ADS)

B. Convertible Bonds

		(Unit: USD, Share)
Item	Content	
Issuing date	April 18, 2007	
Maturity	April 18, 2012	
(Redemption date after put option exercise)	(April 18, 2010)	
Face Amount	USD550,000,000	
Offering method	Public offering	
Conversion period	Convertible into shares of common stock during the period from April 19, 2008 to April 3, 2012	

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

Conversion price		KRW 48,760 per share*
Conversion status	Number of shares already converted	None
	Number of convertible shares	10,530,762 shares if all are converted*
Remarks		Registered form
		Listed on Singapore Exchange

\* Conversion price was adjusted from KRW 49,070 to KRW 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 KRW 750 per share at the annual general meeting of shareholders on February 29, 2008.

**Table of Contents**

C. Shareholder List

(1) Total shares issued and outstanding: 357,815,700 shares as of September 30, 2008

(2) Largest shareholder and related parties as of September 30, 2008

Name	Relationship	January 1, 2008	Increase(Decrease)	(Unit: share)
				September 30, 2008
LG Electronics	Largest	135,625,000		135,625,000
	Shareholder	(37.9)%		(37.9)%
Young Soo Kwon	Related	15,000		23,000
			8,000	
	Party	(0.0)%		(0.0)%
Total		135,640,000		135,648,000
			8,000	
		(37.9)%		(37.9)%

(3) Shareholders who owned 5% or more of our shares as of December 31, 2007

Name	Type of stock	(Unit: share)	
		Number of shares	Ratio
LG Electronics	Common Stock	135,625,000	37.9%
Philips Electronics	Common Stock	71,225,000	19.9%*
Total		206,850,000	57.8%

\* On March 17, 2008, Philips Electronics sold 6.7% of our common stock (24 million shares of common stock).

D. Voting rights as of September 30, 2008

: Description	(Unit: share)
	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

**Table of Contents**

## E. Dividends

Dividends during the recent 3 fiscal years

Description	2008 3Q	2007	2006
Par value (Won)	5,000	5,000	5,000
Net income (loss) (Million Won)	1,783,573	1,344,027	(769,313)
Earnings (Loss) per share (Won)	4,985	3,756	(2,150)
Retained earning for dividends (Million Won)	5,543,438	4,028,227	2,711,036
Total cash dividend amount (Million Won)		268,362	
Total stock dividend amount (Million Won)			
Cash dividend payout ratio (%)			
Cash dividend yield (%)		1.6	
Stock dividend yield (%)			
Cash dividend per share (Won)		750	
Stock dividend per share (Won)			

\* Earnings per share is calculated based on par value of 5,000 Won per share.  
(As a result of a stock split, par value of our shares changed to Won 5,000 per share from Won 10,000 per share as of May 25, 2004.)

\* Retained earning for dividends is the amount before dividends are paid.

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

**3. Major Products and Materials**

## A. Major products in 2008 (Q1~Q3)

Business area	Sales types	Items (Market)	Specific use	(Unit: In billions of Won)	
				Major trademark	Sales (%)
TFT- LCD	Product/ Service/	TFT-LCD (Overseas)	Panels for Notebook Computer, Monitor, TV and Applications	LG Display	11,321 (93.2)%
	Other Sales	TFT-LCD (Korea*)	Panels for Notebook Computer, Monitor, TV and Applications	LG Display	822 (6.8)%
Total					12,143 (100)%

\* Including local export.

\*\* Period: January 1, 2008 ~ September 30, 2008

\*\*\* Major products trademark has changed from LG. Philips LCD to LG Display

## B. Average selling price trend of major products

Description	(Unit: USD / m <sup>2</sup> )			
	2008 Q3	2008 Q2	2008 Q1	2007 Q4
TFT-LCD panel	992	1,274	1,339	1,375

\* Semi-finished products in the cell process have been excluded.

Edgar Filing: LG Display Co., Ltd. - Form 6-K

\*\* Quarterly average selling price per square meter of net display area shipped  
\*\*\* On a consolidated basis



**Table of Contents**

## C. Major materials

(Unit: In billions of Won)

Business area	Purchase types	Items	Specific use	Purchase amount (%)	Suppliers
		Glass			Samsung Corning Precision
TFT-LCD	Materials	Back-Light	LCD panel manufacturing	1,663 (26.1)%	Glass Co., Ltd., NEG, etc.
		Polarizer		1,581 (24.8)%	Heesung Electronics Ltd., etc.
		Others		846 (13.3)%	LG Chem., etc.
Total				2,277 (35.8)%	
				6,367 (100)%	

\* Period : January 1, 2008 ~ September 30, 2008

## D. Price trend of major materials

Prices of major 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-size panels.

**4. Production and Equipment**

## A. Production capacity and calculation

## (1) Production capacity

(Unit : 1,000 Glass sheets)

Business area	Items	Business place	2008		
			Q1~Q3	2007	2006
TFT-LCD	TFT-LCD	Gumi, Paju	9,280	11,544	9,942

\* Glass size per each factory not considered.

## (2) Calculation of production capacity

## a. Method

Assumptions for calculation

Based on input glass

Calculation method of production capacity

2008 Q1~Q3: Monthly maximum input capacity per each factory in the period of Q1~Q3

× number of months (9 months).

2007: Monthly maximum input capacity per each factory in year 2007

× number of months (12 months).

**Table of Contents**

2006: Monthly maximum input capacity per each factory for 4th quarter of 2006  
 × number of months (12 months).

b. Average working hours

See 4.B(2) below.

B. Production performance and working ratio

(1) Production performance

Business area	Items	Business place	(Unit: 1,000 Glass sheets)		
			2008 Q1~Q3	2007	2006
TFT-LCD	TFT-LCD	Gumi, Paju	8,670	10,182	9,052

\* Based on input glass

(2) Working Ratio \*

Business place (area)	Available working hours	Real working hours	(Unit: Hours)
	of 2008 (Q1~Q3)	of 2008 (Q1~Q3)	Average working ratio
Gumi	6,576	6,576	100%
(TFT-LCD)	(24 hours X 274 days)	(24 hours X 274 days)	
Paju	6,576	6,576	100%
(TFT-LCD)	(24 hours X 274 days)	(24 hours X 274days)	

C. Investment plan

(1) Investment in progress

Business area	Description	Investment period	Investment assets	Investment effect	Total investment	Already invested	To be invested	Remarks
TFT-LCD	New / Expansion, etc.	Q4 05~	Building/ Machinery, etc.	New production facility	4,400	2,076	2,324	

(2) Investment Plan (Consolidated basis)

Edgar Filing: LG Display Co., Ltd. - Form 6-K

Business area	Project	Expected yearly investment			Investment effects	Remarks
		2008 *	2009 **	2010 **		
TFT-LCD	New / Expansion, etc.	4,100			Capacity Expansion, etc.	

(Unit: In billions of Won)

- \* Expected investments in 2008 are subject to change depending on market environment.
- \*\* Expected investments in 2009 and in 2010 cannot be projected due to industry characteristics.

**Table of Contents**

**5. Sales**

A. Sales performance

				(Unit: In billions of Won)		
Business area	Sales types	Items (Market)	2008		2007	
			Q1~Q3	Q1~Q3	2007	
TFT-LCD	Products, etc.	Overseas	11,321	9,119	13,137	
		Korea*	822	729	1,026	
		Total	12,143	9,849	14,163	

\* Including local export.

B. Sales route and sales method

(1) Sales organization

As of September 30 2008, each of the IT Business Unit, TV Business Unit, and Mobile Business Unit had individual sales and customer support functions.

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

(2) Sales route

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

(3) Sales methods and conditions

LG Display HQ g System integrators, Branded customers g End users

(4) Sales strategy

Direct sales and sales through overseas subsidiaries, etc.

To secure stable sales to major PC makers and the leading consumer electronics makers globally

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

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

To diversify our market in the small- to medium-sized monitor segment, including products such as mobile phone, P-A/V, automobile navigation systems, aircraft instrumentation and medical diagnostic equipment, etc.

**Table of Contents****6. Directors & Employees****A. Members of the Board of Directors**

<b>Name</b>	<b>Date of birth</b>	<b>Position</b>	<b>Business experience</b>
		Representative	
Young Soo Kwon	February 6, 1957	Director, President and Chief Executive Officer	President and Chief Financial Officer of LG Electronics
James (Hoyoung) Jeong	November 2, 1961	Director and Chief Financial Officer	Executive Vice President and Chief Financial Officer of LG Electronics
Simon (Shin Ik) Kang	May 10, 1954	Director	Head of Digital Display Product Business Division of LG Electronics
Paul Verhagen	February 2, 1966	Director	Chief Financial Officer of Consumer Lifestyle Section, Philips Electronics
Ingoo Han	October 15, 1956	Outside Director	Dean, Graduate School of Management, Korea Advanced Institute of Science and Technology
Dongwoo Chun	January 15, 1945	Outside Director	Outside Director, Pixelplus
Bruce. I. Berkoff	August 13, 1960	Outside Director	President of LCD TV Association
Yoshihide Nakamura	October 22, 1942	Outside Director	President of ULDAGE, Inc.
William Y. Kim	June 6, 1956	Outside Director	Partner of Ropes & Gray LLP

**B. Committees of the Board of Directors**

Committees of the Board of Directors as of September 30, 2008

<b>Committee</b>	<b>Member</b>
Audit Committee	Ingoo Han, Yoshihide Nakamura, William Y. Kim
Remuneration Committee	Simon (Shin Ik) Kang, Paul Verhagen, Dongwoo Chun, Bruce I. Berkoff
Outside Director Nomination and Corporate Governance Committee	Simon (Shin Ik) Kang, Paul Verhagen, Dongwoo Chun,  William Y. Kim

**C. Director & Officer Liability Insurance**

(1) Overview of Director &amp; Officer Liability Insurance (as of September 30, 2008)

**Table of Contents**

Name of insurance	Premium paid in 2008	Limit of liability	(Unit: USD) Remarks
Directors & Officers Liability Insurance	1,984,000	100,000,000	

\* In July 2008, we renewed our director & officer liability insurance with coverage until July 2009.

(2) The approval procedure for the Director & Officer Liability Insurance

Our Representative Director approved the limit for liability, coverage and premiums.

(3) The insured

1. LG Display and its subsidiaries and their respective Directors and Officers
2. Duly elected or appointed Directors or Officers, past and new Directors and Officers during the policy period
3. The estates and heirs of deceased Directors or Officers, and the legal representatives of Directors or Officers in the event of their incompetence, insolvency or bankruptcy (only if the Directors or Officers were employed at the time the acts were committed)

(4) The Covered Risks

1. The liability of a director or an officer for the Loss to shareholders or 3rd parties, arising from any alleged Wrongful Act of a director or officer of the Company in their respective capacities, provided that the director or officer duly discharged his or her fiduciary duties
  - a. Wrongful Act means any breach of duty, neglect, error, misstatement, misleading statement, omission, or act by the Directors or Officers
  - b. Loss includes damages, judgments, settlements and Defense Costs
2. Coverage for security holder derivative action & security claims

The Loss arising out of any security holder derivative action is paid in accordance with the Security Holder Derivative Action Inclusion Clause . Securities Loss, incurred on account of a Securities Claim against the Directors, Officers and/or the Company, is covered (except for exclusions).

(5) Exclusions

1. General Exclusions (any loss related to following items):

Any illegal gaining of personal profit through, dishonest or criminal act;



## Edgar Filing: LG Display Co., Ltd. - Form 6-K

Remuneration payment to the Insureds without the previous approval of the stockholders, which payment was illegal;

Profits in fact made from the purchase or sale of securities of the Company using non public information in an illegal manner;

**Table of Contents**

Payment of commissions, gratuities, benefits or any other favor provided to a political group, government official, director, officer, employee or any person having an ownership interest in any customers of the Company or their agent(s), representative(s) or member(s) of their family or any other entity(ies) with which they are affiliated;

Wrongful Acts alleged in any claim which has been reported under any policy of which this policy is a renewal or replacement;

Any pending or prior litigation as of the inception date of this policy, or derived from the same facts as alleged in such pending or prior litigation, etc.;

Wrongful Act which Insured knew or should reasonably have foreseen at the inception date of this policy;

Pollutants, contamination;

Nuclear material, radioactive contamination;

Bodily injury, disease, death or emotional distress of any person, or damage to tangible property, loss of use of property, or injury from oral or written publication of a libel or slander, or material that violates a person's right of privacy;

Any alleged Wrongful Act of any Subsidiary of which the insured did not own more than 50% of stock either directly or indirectly through its Subsidiaries.

2. Special Exclusions (any loss related to following items) :

Punitive Damage

Nuclear Energy Liability

Mutual claim between Insureds

Claim of a large shareholder (one holding 15% or more of the outstanding shares)

Claim by a government entity

Professional Service liability

Section 16(b) of the Securities Exchange Act of 1934 or a similar law

Edgar Filing: LG Display Co., Ltd. - Form 6-K

ERISA(Employee Retirement Income Security Act)

The so called Year 2000 Problem

War & Terrorism

Asbestos/Mould liability

Patent / Copyright liability, etc.

**Table of Contents**

## D. Employees

(as of September 30, 2008)

(Unit: person, in millions of Won)

Sex	Details of Employees*			Total	Total Salary in 2008 (Q1~Q3)**	Per Capita Salary	Average Service Year
	Office Worker	Line Worker	Others				
Male	5,662	7,101		12,763	439,585	40.7	4.8
Female	520	4,772		5,292	136,400	27.5	3.2
Total	6,182	11,873		18,055	575,985	36.6	4.3

\* Directors and executive officers have been excluded.

\*\* Welfare benefit and retirement expense have been excluded.

\*\* Based on cash payment

## E. Stock option

The following table sets forth certain information regarding our stock options as of September 30, 2008.

(Unit: Won, Stock)

Executive	Exercise Period			Exercise Price	Number of Granted Options	Number of Exercised Options	Number of Exercisable Options*
	Grant Date	From	To				
Officers (including Former Officers)							
Ron H. Wirahadiraksa	April 7, 2005	April 8, 2008	April 7, 2012	KRW 44,050	100,000	0	50,000
Duke M. Koo	April 7, 2005	April 8, 2008	April 7, 2012	KRW 44,050	40,000	0	20,000
Sang Deog Yeo	April 7, 2005	April 8, 2008	April 7, 2012	KRW 44,050	40,000	0	20,000
Jae Geol Ju	April 7, 2005	April 8, 2008	April 7, 2012	KRW 44,050	40,000	0	20,000
Total					220,000		110,000

\* When the increase rate of the Company's 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 the Company's 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.

**7. Financial Information**

## A. Financial highlights (Based on Non-consolidated, Korean GAAP)

(Unit: In millions of Won)

Description	2008 Q3	2007	2006	2005	2004
Current Assets	8,165,339	5,644,253	2,731,656	3,196,934	2,638,616
Quick Assets	7,007,319	4,963,657	1,996,280	2,725,169	2,170,617
Inventories	1,158,020	680,596	735,376	471,765	467,999
Non-current Assets	8,708,034	7,750,182	10,084,191	9,798,981	6,960,077
Investments	914,700	489,114	361,558	213,984	168,055
Tangible Assets	7,358,636	6,830,600	8,860,076	8,988,459	6,366,651
Intangible Assets	174,865	111,530	114,182	149,894	183,471
Other Non-current Asset	259,833	318,938	748,375	446,644	241,900
Total Assets	16,873,373	13,394,435	12,815,847	12,995,915	9,598,693
Current Liabilities	4,168,122	2,245,410	2,694,389	2,594,282	1,900,765
Non-current Liabilities	2,809,393	2,859,652	3,231,782	2,726,036	1,925,286
Total Liabilities	6,977,515	5,105,062	5,926,171	5,320,318	3,826,051

Edgar Filing: LG Display Co., Ltd. - Form 6-K

Capital Stock	1,789,079	1,789,079	1,789,079	1,789,079	1,626,579
Capital Surplus	2,311,071	2,311,071	2,275,172	2,279,250	1,012,271
Other Accumulated Comprehensive Income (Loss)	97,097	5,823	(13,948)	(1,418)	42,118
Retained Earnings	5,698,611	4,183,400	2,839,373	3,608,686	3,091,674
Total Shareholders Equity	9,895,858	8,289,373	6,889,676	7,675,597	5,772,642

**Table of Contents**

Description	2008				
	Q1-Q3	2007	2006	2005	2004
Sales Revenues	12,142,538	14,163,131	10,200,660	8,890,155	8,079,891
Operating Income (Loss)	1,969,240	1,491,135	(945,208)	447,637	1,640,708
Income(Loss) from continuing operation	1,783,573	1,344,027	(769,313)	517,012	1,655,445
Net Income (Loss)	1,783,573	1,344,027	(769,313)	517,012	1,655,445

## B. R&amp;D Expense

## (1) Summary

(Unit: In millions of Won)

Account	2008 3Q	2007	2006	
Material Cost	204,452	246,577	291,714	
Labor Cost	101,792	110,586	87,078	
Depreciation Expense	15,702	22,516	20,671	
Others	32,757	34,737	36,649	
Total R&D Expense	354,703	414,416	436,112	
Accounting Selling & Administrative Expenses	109,494	106,082	82,635	
Treatment Manufacturing Cost	245,209	308,334	353,477	
R&D Expense / Sales Ratio				
[Total R&D Expense/Sales for the period×100]		2.9%	2.9%	4.3%

**Table of Contents**

(2) R&D achievements

[Achievements in 2006]

- 1) Development of high brightness/color gamut 17-inch wide slim LCD for notebook computer

Slim model (10tg7t), featuring 500nit, NTSC 72%

Development of slim and high brightness backlight

- 2) World's largest size 100-inch TFT-LCD development

High quality image without noise or signal distortion, applying low resistance copper bus line

High dignity picture for full-HD TV

- 3) 32-inch/42-inch HCFL Scanning Backlight applied LCD TV model development

Realization of MBR (Motion Blur Reduction) by application of Backlight Scanning technology

Lamp Quantity Reduction by HCFL (Hot Cathode Fluorescent Lamp) application

- 4) World's largest 20.1-inch TFT-LCD for notebook computer development

S-IPS Mode, sRGB, Realization of DCR 3000:1 by backlight control, brightness 300nit

- 5) Ultra-slim TFT-LCD development for mobile phones

Realization of 1.3t by reducing light guide plate & glass thickness

- 6) The fast response 2.0-inch TFT-LCD development for mobile phones

Realization of high quality image by new liquid crystal development (25msg16ms)

## Edgar Filing: LG Display Co., Ltd. - Form 6-K

- 7) Wide color gamut 30-inch wide TFT-LCD monitor development

Realization of 92% high color gamut by application of WCG CCFL

- 8) LGE Chassis integration model (Tornado) development (32-inch/37-inch/42-inch)

Maximized cost reduction by co-design with LGE & LPL

Improved product competitiveness by thin & light design

- 9) 32-inch 120Hz new-mode panel development

Cost reduction & spec. upgrade by new-mode panel

MBR (Motion Blur Reduction) by 120Hz driving

- 10) CI model development (new concept BL)

Cost reduction and productivity improvement by new concept backlight

[Achievements in 2007]

- 11) Development of first Poland model

32-inch HD model

- 12) Development of socket type backlight model

42-inch FHD model