

LG Display Co., Ltd.
Form 6-K
March 05, 2010
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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 6-K

REPORT OF FOREIGN PRIVATE ISSUER

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

THE SECURITIES EXCHANGE ACT OF 1934

For the month of March 2010

LG Display Co., Ltd.

(Translation of Registrant's name into English)

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

(Address of principal executive offices)

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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 ☒

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Submission of Audit Report

1. Name of external auditor : Samjong Accounting Corporation
2. Date of receiving external audit report : March 4, 2010
3. Auditor's opinion

	FY 2009	FY 2008
Audit Report on Non-consolidated Financial Statements	Unqualified	Unqualified

4. Financial Highlights of Non-consolidated Financial Statements

(Unit: KRW, Korean GAAP, Non-consolidated)

Items	FY 2009	FY 2008
Total Assets	18,885,163	16,501,987
Total Liabilities	8,759,879	7,225,965
Total Shareholders' Equity	10,125,283,638	9,276,022
Capital Stock	1,789,079	1,789,079
Revenues	20,119,342	15,865,240
Operating Income	1,000,583	1,536,306
Ordinary Income	938,705	1,293,480
Net Income	1,067,947	1,086,896
Total Shareholders' Equity / Capital Stock	565.9%	518.5%

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Independent Auditors' Report

Based on a report originally issued in Korean

To the Shareholders and Board of Directors

LG Display Co., Ltd.:

We have audited the accompanying non-consolidated statements of financial position of LG Display Co., Ltd. (the "Company") as of December 31, 2009 and 2008, and the related non-consolidated statements of income, appropriations of retained earnings, changes in stockholders' equity and cash flows for the years then ended. These non-consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the Republic of Korea. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the non-consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company, as of December 31, 2009 and 2008 and the results of its operations, the appropriation of its retained earnings, the changes in its equity and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the Republic of Korea.

Without qualifying our opinion, we draw attention to the following:

As discussed in note 2(b) to the non-consolidated financial statements, accounting principles and auditing standards and their application in practice vary among countries. The accompanying non-consolidated financial statements are not intended to present the financial position, results of operations, changes in shareholders' equity and cash flows in accordance with accounting principles and practices generally accepted in countries other than the Republic of Korea. In addition, the procedures and practices utilized in the Republic of Korea to audit such non-consolidated financial statements may differ from those generally accepted and applied in other countries. Accordingly, this report and the accompanying non-consolidated financial statements are for use by those knowledgeable about Korean accounting procedures and auditing standards and their application in practice.

As discussed in note 18(b) to the non-consolidated financial statements, the Company is under investigations by Korea Fair Trade Commission in Korea, European Commission and antitrust authorities in other countries with respect to possible anti-competitive activities in the LCD industry. In addition, the Company has been named as defendants in a number of federal class actions in the United States and Canada and related individual lawsuits based on alleged antitrust violations concerning the sale of LCD panels, and the Company and certain of its officers and directors have been named as defendants in a federal class action in the United States by shareholders of the Company alleging violations of the U.S. Securities Exchange Act of 1934. The Company estimated and recognized losses related to these legal proceedings. However, actual losses are subject to change in the future based on new developments in each matter, or changes in circumstances, which could be materially different from those estimated and recognized by the Company.

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/s/ KPMG Samjong Accounting Corp.

Seoul, Korea

February 16, 2010

This report is effective as of February 16, 2010, the audit report date. Certain subsequent events or circumstances, which may occur between the audit report date and the time of reading this report, could have a material impact on the accompanying non-consolidated financial statements and notes thereto. Accordingly, the readers of the audit report should understand that there is a possibility that the above audit report may have to be revised to reflect the impact of such subsequent events or circumstances, if any.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Financial Position****As at December 31, 2009 and 2008**

<i>(In millions of Won)</i>	Note	2009	2008
Assets			
Cash and cash equivalents	3,16	(Won) 704,324	1,207,786
Short-term financial instruments	3	2,500,000	2,055,000
Available-for-sale securities	6		74
Trade accounts and notes receivable, net	4,8,16,18	3,023,158	1,695,578
Other accounts receivable, net	4,16	81,413	41,570
Accrued income, net	4	41,241	88,175
Advance payments, net	4	11,187	250
Prepaid expenses		38,208	34,156
Value added tax receivable	16	45,451	145,862
Deferred income tax assets, net	24	163,182	80,994
Other current assets		2,737	25,164
Inventories, net	5,11	1,286,305	881,503
Total current assets		7,897,206	6,256,112
Long-term financial instruments		13	13
Available-for-sale securities	6	119,944	129,497
Equity method investments	7	1,057,225	831,237
Long-term loans	16		12,575
Property, plant and equipment, net	8,9,10,11	8,731,929	8,431,214
Intangible assets, net	10,12	240,900	194,343
Non-current guarantee deposits	16	59,796	46,972
Long-term other receivables, net	4		182
Long-term prepaid expenses		139,884	150,665
Deferred income tax assets, net	24	638,266	409,528
Other non-current assets			39,649
Total non-current assets		10,987,957	10,245,875
Total assets		(Won) 18,885,163	16,501,987

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Financial Position, Continued****As at December 31, 2009 and 2008**

<i>(In millions of Won)</i>	Note	2009	2008
Liabilities			
Trade accounts and notes payable	8,16	(Won) 2,014,909	951,975
Other accounts payable	8,16	1,392,811	2,205,092
Short-term borrowings	14	506,731	
Advances received		27,830	10,669
Withholdings		16,820	15,486
Accrued expenses	18	638,419	212,330
Income tax payable	24	120,206	265,550
Warranty reserve, current	17	57,985	48,008
Current portion of long-term debt and debentures, net of discounts	13,14	934,921	498,652
Other current liabilities		9,613	19,464
Total current liabilities		5,720,245	4,227,226
Debentures, net of current portion and discounts on debentures	13	698,059	1,490,445
Long-term debt, net of current portion	14	1,256,488	1,019,306
Long-term accrued expenses	29	7,615	
Long-term other accounts payable	7	429,222	406,156
Long-term advances received	16	583,800	
Accrued severance benefits, net	15	58,839	70,139
Warranty reserve, non-current	17	5,611	10,097
Other non-current liabilities			2,596
Total non-current liabilities		3,039,634	2,998,739
Total liabilities		8,759,879	7,225,965
Shareholders' equity			
Common stock, (Won)5,000 par value. Authorized 500,000,000 shares; issued and outstanding 357,815,700 shares in 2009 and 2008	1,20	1,789,079	1,789,079
Capital surplus	21	2,311,071	2,311,071
Capital adjustment	7	(713)	
Accumulated other comprehensive income	22	134,874	173,938
Retained earnings	23	5,890,973	5,001,934
Total shareholders' equity		10,125,284	9,276,022
Commitments and contingencies			
Total liabilities and shareholders' equity		(Won) 18,885,163	16,501,987

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Income****For the years ended December 31, 2009 and 2008**

<i>(In millions of Won, except earnings per share)</i>	Note	2009	2008
Sales	8,33	(Won) 20,119,342	15,865,240
Cost of sales	8,25	18,298,074	13,626,602
Gross profit		1,821,268	2,238,638
Selling and administrative expenses		820,685	702,332
Operating income	26	1,000,583	1,536,306
Interest income		125,313	205,988
Rental income		4,116	3,203
Foreign exchange gains		1,077,831	2,492,293
Gain on foreign currency translation	19	236,268	211,068
Equity income on investments	7	129,348	164,142
Gain on disposal of property, plant and equipment		2,497	3,299
Gain on disposal of intangible assets		9	1,633
Commission earned		7,007	30,207
Reversal of allowance for doubtful accounts		260	5,961
Gain on redemption of debentures	13		1,152
Other income		7	9,041
Non-operating income		1,582,656	3,127,987
Interest expense	10	122,602	115,702
Foreign exchange losses		1,078,556	2,324,969
Loss on foreign currency translation		21,384	437,392
Donations		6,929	7,829
Loss on disposal of trade accounts and notes receivable	4	10,571	23,019
Other bad debt expenses		32	
Loss on disposal of available-for-sale securities		5	
Equity loss on investments	7	108,135	454,672
Loss on disposal of property, plant and equipment		133	536
Impairment loss on property, plant and equipment	9		83
Loss on redemption of debentures	13	173	13
Loss on disposal of equity method investments	7	165	100
Other expenses	18	295,849	6,498
Non-operating expenses		1,644,534	3,370,813
Income before income taxes		938,705	1,293,480
Income tax expense(benefit)	24	(129,242)	206,584
Net income		(Won) 1,067,947	1,086,896

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Earnings per share	27			
Basic earnings per share	(Won)	2,985		3,038
Diluted earnings per share	(Won)	2,954		3,003

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Appropriations of Retained Earnings****For the years ended December 31, 2009 and 2008****(Date of appropriations : March 12, 2010 and March 13, 2009 for the years ended December 31, 2009 and 2008, respectively)**

<i>(In millions of Won)</i>	Note	2009	2008
Retained earnings before appropriations			
Unappropriated retained earnings carried over from prior year		(Won) 4,649,962	3,759,865
Net income		1,067,947	1,086,896
		5,717,909	4,846,761
Appropriation of retained earnings			
Legal reserve		17,891	17,891
Cash dividend (Dividend per share (dividends as a percentage of par value): (Won)500(10%) in 2009 and 2008	28	178,908	178,908
		196,799	196,799
Unappropriated retained earnings carried forward to the following year		(Won) 5,521,110	4,649,962

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Changes in Stockholders' Equity****For the years ended December 31, 2009 and 2008**

<i>(In millions of Won)</i>	Capital stock	Capital surplus	Accumulated other Capital Adjustment	comprehensive income (loss)	Retained earnings	Total
Balances at January 1, 2008	(Won) 1,789,079	2,311,071		5,823	4,183,400	8,289,373
Net income					1,086,896	1,086,896
Cash dividend					(268,362)	(268,362)
Change in fair value of available-for-sale securities				25,934		25,934
Change in capital adjustment arising from equity method investments				144,688		144,688
Gain on valuation of cash flow hedges				(1,498)		(1,498)
Loss on valuation of cash flow hedges				(1,009)		(1,009)
Balances at December 31, 2008	(Won) 1,789,079	2,311,071		173,938	5,001,934	9,276,022
Balances at January 1, 2009	(Won) 1,789,079	2,311,071		173,938	5,001,934	9,276,022
Net income					1,067,947	1,067,947
Cash dividend					(178,908)	(178,908)
Change in fair value of available-for-sale securities				(22,453)		(22,453)
Change in capital adjustment arising from equity method investments				(25,034)		(25,034)
Loss on valuation of cash flow hedges				8,423		8,423
Acquisition of invested in affiliates			(713)			(713)
Balances at December 31, 2009	(Won) 1,789,079	2,311,071	(713)	134,874	5,890,973	10,125,284

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Cash Flows****For the years ended December 31, 2009 and 2008**

<i>(In millions of Won)</i>	<i>Note</i>	<i>2009</i>	<i>2008</i>
Cash flows from operating activities:			
Net income		(Won) 1,067,947	1,086,896
Adjustments for:			
Depreciation	9	2,569,202	2,280,579
Amortization of intangible assets	12	42,606	50,310
Provision for severance benefits	15	79,321	68,956
Provision for warranty reserve	17	113,866	90,063
Loss (gain) on foreign currency translation, net		(214,884)	226,347
Equity loss(income) on investments, net		(21,213)	290,530
Other bad debt expenses		32	
Loss on disposal of available-for-sale securities		5	
Loss on disposal of equity method investments		165	100
Gain on disposal of property, plant and equipment, net		(2,364)	(2,763)
Gain on disposal of intangible assets, net		(9)	(1,633)
Impairment loss on property, plant and equipment			83
Amortization of discount on debentures, net		30,429	30,838
Loss (gain) on redemption of debentures, net		173	(1,139)
Reversal of allowance for doubtful accounts		(260)	
Reversal of stock compensation cost	29		(560)
Other income(expenses), net		263,520	
		2,860,589	3,031,711
Changes in operating assets and liabilities:			
Decrease (increase) in trade accounts receivable and notes receivable		(1,328,237)	619,830
Decrease (increase) in other accounts receivable		(38,120)	81,060
Decrease (increase) in accrued income		46,876	(74,131)
Decrease (increase) in advance payments		(11,183)	2,493
Decrease (increase) in prepaid expenses		25,757	28,721
Decrease (increase) in value added tax receivable		102,997	(66,833)
Decrease (increase) in current deferred income tax assets		(83,852)	
Decrease (increase) in other current assets		24,948	1,853
Decrease (increase) in inventories		(404,802)	(200,907)
Decrease (increase) in long-term other receivables			182
Decrease (increase) in long-term prepaid expenses		(19,029)	(24,482)
Decrease (increase) in non-current deferred income tax assets		(216,129)	(81,165)
Decrease (increase) in other non-current assets		41,735	2,539
Increase (decrease) in trade accounts and notes payable		1,064,542	59,217
Increase (decrease) in other accounts payable		(175,010)	403,602
Increase (decrease) in advances received		17,161	(1,691)
Increase (decrease) in withholdings		1,334	8,759
Increase (decrease) in accrued expenses		159,059	38,663
Increase (decrease) in income tax payable		(144,232)	193,208
Increase (decrease) in other current liabilities		(3,662)	(20,536)
Increase (decrease) in warranty reserve	17	(108,375)	(81,253)
Accrued severance benefits transferred from affiliated company, net		1,630	3,339
Increase (decrease) in long-term accrued expenses		7,615	
Increase (decrease) in long-term advances received		695,500	

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Payment of severance benefits	(47,761)	(23,850)
Decrease (increase) in severance insurance deposits	(44,567)	(31,792)
Decrease (increase) in contribution to the National Pension Fund	77	51
	(435,728)	836,877
Net cash provided by operating activities	(Won) 3,492,808	4,955,484

See accompanying notes to non-consolidated financial statements.

Table of Contents**LG DISPLAY CO., LTD.****Non-Consolidated Statements of Cash Flows, Continued****For the years ended December 31, 2009 and 2008**

<i>(In millions of Won)</i>	Note	2009	2008
Cash flows from investing activities:			
Acquisition of short-term financial instruments		(Won) (4,000,000)	(1,270,000)
Proceeds from short-term financial instruments		3,555,000	
Proceeds from available-for-sale securities		69	
Decrease in short-term loans		12,575	
Acquisition of available-for-sale securities		(19,233)	(96,260)
Cash dividends received	7	28,561	12,187
Acquisition of equity method securities		(242,490)	(46,755)
Proceeds from disposal of property, plant and equipment		7,602	10,343
Proceeds from disposal of intangible assets		11	3,196
Government subsidies received		2,550	
Acquisition of property, plant and equipment		(3,496,658)	(2,623,303)
Acquisition of intangible assets		(98,780)	(125,103)
Refund of non-current guarantee deposits		553	32
Payment of non-current guarantee deposits		(13,252)	(13,469)
Long-term loans granted			(10,474)
Net cash used in investing activities		(4,263,492)	(4,159,606)
Cash flows from financing activities:			
Proceeds from short-term borrowings		651,518	
Proceeds from long-term debt		323,914	
Proceeds from issuance of debentures		498,020	
Redemption of debentures		(400,000)	(78,308)
Repayment of current portion of long-term debts		(500,451)	(351,171)
Repayment of short-term borrowings		(126,871)	
Payment of cash dividends		(178,908)	(268,362)
Net cash used in financing activities		267,222	(697,841)
Net increase(decrease) in cash and cash equivalents		(503,462)	98,037
Cash and cash equivalents, beginning of the year		1,207,786	1,109,749
Cash and cash equivalents, end of the year		(Won) 704,324	1,207,786

See accompanying notes to non-consolidated financial statements.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements

December 31, 2009 and 2008

1 Organization and Description of Business

LG Display Co., Ltd. (the "Company") was incorporated in 1985 under its original name of LG Soft, Ltd. as a wholly owned subsidiary of LG Electronics Inc. In 1998, LG Electronics Inc. and LG Semicon Co., Ltd. transferred their respective Thin Film Transistor Liquid Crystal Display (TFT-LCD) related business to the Company. The main business of the Company is to manufacture and sell TFT-LCD panels. In July 1999, LG Electronics Inc. and Koninklijke Philips Electronics N.V. ("Philips") entered into a joint venture agreement. Pursuant to the agreement, the Company changed its name to LG.Philips LCD Co., Ltd. However, on February 29, 2008, the Company changed its name to LG Display Co., Ltd. based upon the approval of shareholders at the general shareholders' meeting on the same date as a result of the decrease in Philips' share interest in the Company and the possibility of its business expansion to Organic Light Emitting Diode (OLED) and Flexible Display products. In March 2009, Philips, which used to be one of the major shareholders of the Company, sold all of its share holdings, 47,225 thousand shares, of the Company. As of December 31, 2009, LG Electronics Inc. owns 37.9% (135,625 thousand shares) of the Company's common shares.

As of December 31, 2009, the Company has LCD Research & Development Center and TFT-LCD manufacturing plants in Paju and TFT-LCD manufacturing plants and OLED manufacturing plant in Gumi. The Company has overseas subsidiaries located in the United States of America, Europe and Asia.

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements

(a) Significant Accounting Policies

The significant accounting policies followed by the Company in the preparation of its non-consolidated financial statements are the same as those followed by the Company in its preparation of annual non-consolidated financial statements for the year ended December 31, 2008.

(b) Basis of Presenting Financial Statements

The Company maintains its accounting records in Korean Won and prepares statutory financial statements in the Korean language in conformity with the accounting principles generally accepted in the Republic of Korea. Certain accounting principles applied by the Company that conform with financial accounting standards and accounting principles in the Republic of Korea may not conform with generally accepted accounting principles (GAAP) in other countries. Accordingly, these non-consolidated financial statements are intended for use only by those who are informed about Korean accounting principles and practices. The accompanying non-consolidated financial statements have been translated into English from the Korean language non-consolidated financial statements.

(c) Revenue Recognition

Revenue is recognized when the significant risks and rewards of ownership have been transferred to the Company's customers, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates and other cash incentives paid to customers.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(d) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in banks, and financial instruments with maturity of three months or less at the time of purchase. These financial instruments are readily convertible into cash without significant transaction costs and bear low risks from changes in value due to interest rate fluctuations.

(e) Allowance for Doubtful Accounts

Allowance for doubtful accounts is estimated based on an analysis of individual accounts and past experience of collection and presented as a deduction from trade receivables.

(f) Inventories

Inventories are stated at the lower of cost or market value, with cost being determined by a weighted-average method, except for the materials in transit, which is determined by a specific identification method. Valuation loss, which is comprised of the amount of any write-down of inventories to market value and the amount of loss from the difference between the quantity of inventories recorded in the financial statements and the actual quantity incurred in the ordinary course of business, is added to the cost of goods sold. Valuation loss for the holding inventories is presented as a reduction of the inventories. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of changed economic circumstances, the amount of the write-down is reversed and reduces cost of sales to the extent that revised book value does not exceed the book value that would have been recorded without the impairment.

Variable production overheads are allocated based on the actual level of production and fixed production overheads are allocated based on the actual capacity of production facilities. However, the normal capacity may be used for allocation of fixed production overheads if the actual level of production is lower than the normal capacity. The difference between actual fixed production overheads and allocated amount based on the normal level of production is recognized as capacity variances in non-operating expenses.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(g) Investments in Securities

Upon acquisition, the Company classifies debt and equity securities, excluding investments in subsidiaries, associates and joint ventures, into the following categories: held-to-maturity, trading securities or available-for-sale securities. This classification is reassessed at each balance sheet date.

Investments in debt securities where the Company has the positive intent and ability to hold to maturity are classified as held-to-maturity. Securities that are acquired principally for the purpose of selling in the short-term are classified as trading securities. Investments not classified as either held-to-maturity or trading securities are classified as available-for-sale securities.

Investments in securities are initially recognized at the fair value of considerations provided by the Company for the acquisition of securities and related transaction costs.

Held-to-maturity investments are carried at amortized cost. Trading and available-for-sale securities are subsequently carried at fair value. Investments in available-for-sale equity securities that do not have readily determinable fair values are recognized at cost less impairment, if any.

Gains and losses arising from changes in the fair value of trading securities are included in the income statement in the period in which they arise. Unrealized gains and losses arising from changes in the fair value of available-for-sale securities are recognized as accumulated other comprehensive income or loss, net of tax, directly in equity. Gains and losses of available-for-sale securities are recognized in the income statement when the securities are disposed or an impairment loss is recognized. Held-to-maturity investments are carried at amortized cost with interest income and expense recognized in the income statement using the effective interest method.

The Company assesses at the end of each reporting period whether there is any objective evidence that investments in securities are impaired. Impairment losses are recognized when the reasonably estimated recoverable amounts are less than the carrying amount and it is not obviously evidenced that impairment is unnecessary.

Trading securities are presented as current assets. Available-for-sale securities, which mature within one year from the balance sheet date or where the likelihood of disposal within one year from the balance sheet date is probable, are presented as current assets. Held-to-maturity securities, which mature within one year from the balance sheet date, are presented as current assets. All other available-for-sale securities and held-to-maturity securities are presented as long-term investments.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(h) Equity Method Investments

Investments in associates and subsidiaries of which the Company has the ability to significantly influence are accounted for using the equity method of accounting. The Company records changes in its proportionate ownership in the net assets of the associates and subsidiaries in current operations or as adjustments to other comprehensive income (loss) or retained earnings, depending on the nature of the underlying change in the net assets of the associates and subsidiaries. If the carrying amount of an investment in an associate or subsidiary falls below zero as a result of reflecting the investee's losses when the equity method is applied, the Company discontinues recognizing further changes in its share of equity interest in the associate or subsidiary and the related investment is accounted for at nil value. However, if the Company holds interest in the associate or subsidiary, including preferred stocks, long-term loans and receivables issued by the associate or subsidiary, the Company continues to account for the losses of the associate or subsidiary until the carrying amount of the interest is reduced to zero.

Unrealized gains on transactions between the Company and its associates or subsidiaries are eliminated to the extent of the Company's interest in each associate or subsidiary. Unrealized gains are accounted for as a reduction of the carrying amount of the investment in the associate, while unrealized losses are added to the carrying amount of the investment in the associate. However, in the case of unrealized gains or losses arising from sales by the Company to the subsidiaries, they are fully eliminated.

At the date of acquisition of an investment in an associate or subsidiary, the Company's share of the difference between the fair value and book value of the identifiable assets and liabilities of an associate or subsidiary is amortized or reinstated in accordance with the associate or subsidiary's methods of accounting for assets and liabilities. The amount of goodwill or negative goodwill is calculated as the difference between the acquisition cost of an investment in an associate or subsidiary and the Company's share of the fair value of the identifiable net assets of the associate or subsidiary. Goodwill is amortized using the straight-line method over five years. The amount of negative goodwill up to the fair value of depreciable non-monetary assets is recognized using the straight-line method as a gain over the weighted average useful lives and the remainder of negative goodwill up to the fair value of non-depreciable assets is recognized as a gain in the period of disposal of the assets. Any excess of negative goodwill over the fair value of identifiable non-monetary assets is recognized as a gain at the date of acquisition.

Assets and liabilities of a foreign company subject to the equity method of accounting for investments are translated into Korean Won at the rates of exchange prevailing at the end of the reporting period, while its equity is translated at the exchange rate at the time of transactions, and income statement accounts at the average rate over the year. Resulting translation gains and losses are recorded as accumulated other comprehensive income and loss.

(i) Interest in Joint Ventures

Joint ventures are those entities two or more venturers are bound by a contractual arrangement and the contractual arrangement establishes a joint control. The Company accounts for its interest in a jointly controlled entity using the equity method of accounting.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(j) Property, Plant and Equipment

Upon acquisition, property, plant and equipment are stated at cost, which includes acquisition cost or production cost and other costs required to prepare the asset for its intended use as well as capitalized financial expense. Assets acquired through investment in kind or donations are recorded at their fair value upon acquisition. For assets acquired in exchange for a similar asset, the carrying amount of the asset given up is used to measure the cost of the asset received, and for assets acquired in exchange for a dissimilar asset, the fair value of the asset given up is used to measure the cost of the asset received unless the fair value of the asset received is more clearly evident.

Depreciation is computed by using the straight-line method over the estimated useful lives for the assets with the depreciable amount is determined after deducting its residual value from the cost. Assets are stated at cost less accumulated amortization and accumulated impairment loss, if any.

Estimated useful lives of the assets are as follows:

	Estimated useful lives (years)
Buildings	20, 40
Structures	20, 40
Machinery and equipment	4
Vehicles	4, 12
Tools, furniture and fixtures	4

Significant additions or improvement extending the useful lives or increasing the value of the assets are capitalized. Normal maintenance and repairs are charged to expenses as incurred.

(k) Intangible Assets

Intangible assets are stated at cost, which includes acquisition or production cost and other costs required to prepare the asset for its intended use, less accumulated amortization and accumulated impairment loss, if any. Amortization commences when the asset is available for use, and the residual value of an intangible asset is assumed to be zero.

Costs incurred during the development phase are recognized as assets only if the criteria for capitalization as an intangible asset are met, otherwise costs are recognized as a development cost in cost of sales or selling, general and administrative expenses. Any expenditure incurred in the research phase is recognized as research expense in selling, general and administrative expenses.

Intangible assets are amortized using the straight-line method over the following estimated useful lives:

	Estimated useful lives (years)
Intellectual property rights	5, 10
Rights to use electricity and gas supply facilities	10

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Rights to use industrial water facilities	10
Software	4

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(l) Grants Received

Grants received from government and other third parties, which are to be repaid, are recorded as a liability. While non-refundable grants received are presented as a reduction of the acquisition cost of the acquired assets, grants received for a specific purpose, not related to the acquisition of assets, are offset against the related expense, and other grants received are recorded as other income.

(m) Impairment of Assets

When the book value of an asset is significantly greater than its recoverable value due to obsolescence, physical damage or an abrupt decline in the market value of the asset, the decline in value is deducted from the book value to agree with the recoverable amount and is recognized as an asset impairment loss for the period. When the recoverable value subsequently exceeds the book value, the reversal of impairment amount is recognized as a gain for the period to the extent that the revised book value does not exceed the book value that would have been recorded without the impairment.

(n) Convertible Bonds

When accounting for a convertible bond, the liability component and the equity component of a bond are separated. At the date of issue, the liability component of the bond is calculated at the fair value of a similar debt security without conversion rights, which is the present value of future cash flows from an ordinary bond until maturity and the equity component is calculated as the difference between the gross proceeds of the bond received at the date of issue and the amount of liability component. The equity component of the convertible bond is presented as a part of capital surplus within equity. Subsequent to initial recognition, the liability component is measured at amortized cost using the effective interest rate method; however, the equity component is not remeasured subsequent to initial recognition.

(o) Stock and Bond Issue Costs

Stock issue cost is deducted from the gross proceeds from issuance of those stocks and bond issue cost is adjusted to issuance price of debentures and, in turn, discount or premium on debentures.

(p) Discount (Premium) on Debentures

Discount (premium) on debentures, which represents the difference between the face value and issuance price of debentures, is amortized (accreted) using the effective interest method over the life of the debentures. The amount amortized (accreted) is included in interest expense.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(q) Retirement and Severance Benefits

Employees and directors with at least one year of service are entitled to receive a lump-sum payment upon termination of their employment with the Company. Accrued severance benefits represent the amount which would be payable assuming all eligible employees and directors were to terminate their employment as of the end of the reporting period.

The Company has partially funded the accrued severance benefits through severance insurance deposits with insurance companies. Deposits made by the Company are recorded as a deduction from accrued severance benefits. In the case that the deposits are greater than the balance of accrued severance benefits, the excess portion of deposits over accrued severance benefits is recorded as other investments. The Company deposited a certain portion of severance benefits to the National Pension Service according to the prior National Pension Law. The deposit amount is recorded as a deduction from accrued severance benefits.

(r) Valuation of Receivables and Payables at Present Value

Receivables and payables arising from long-term cash loans or borrowings and other similar transactions are discounted using appropriate discount rates and stated at present value. The difference between the nominal value and present value of these receivables or payables is amortized using the effective interest rate method. The amount amortized is included in interest expense or interest income.

(s) Foreign Currency Translation

Non-monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Korean Won at the foreign exchange rate on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Korean Won using the foreign exchange rates prevailing at the end of the reporting period, with the resulting gains or losses recognized in the statement of income.

(t) Derivatives

The Company enters into foreign currency forward contracts to manage the foreign currency risk exposures to the changes in fair value of foreign currency denominated accounts receivable and accounts payable. In addition, the Company entered into cross currency swap and interest rate swap contracts to manage the interest rate and foreign currency risk exposures to the variability of future cash flows of floating rate notes.

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value at each end of the reporting period. Attributable transaction costs are recognized in profit or loss when incurred.

Where a derivative, which meets certain criteria, is used for hedging the exposure to changes in the fair value of a recognized asset or liability, it is designated as a fair value hedge. Where a derivative, which meets certain criteria, is used for hedging the exposure to the variability of the future cash flows of a forecasted transaction, it is designated as a cash flow hedge.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(t) Derivatives, Continued

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of income, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

The effective portion of the changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognized in equity, other comprehensive income or loss. Amounts accumulated in equity are recycled to the income statement in the periods in which the hedged item will affect profit or loss or adjusted to the carrying value of an asset or liability of the related to the hedged transaction. When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at the time remains in equity and is recognized in income when the forecast transaction is ultimately recognized in the statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the statement of income.

The Company documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis at each end of the reporting period, of whether the derivatives that are used in hedging transactions are highly effective in offsetting the changes in fair values or cash flows of hedged items and recognizes the gain or loss related to any ineffective portion immediately in the statement of income.

(u) Provisions and Contingent Liabilities

When it is probable that an outflow of economic benefits will occur due to a present obligation resulting from a past event, and whose amount is reasonably estimable, a corresponding amount of provision is recognized in the financial statements. However, when such outflow is dependent upon a future event, is not probable to occur, or cannot be reliably estimated, a disclosure regarding the contingent liability is made in the notes to the financial statements.

(v) Income Taxes

Income tax expense includes the current income tax under the relevant income tax laws and the changes in deferred tax assets or liabilities. Deferred tax assets and liabilities represent the amount of future income tax payables to be decreased or increased, respectively, by temporary differences, which is the difference between the carrying amounts of assets and liabilities for financial reporting purpose and the tax bases of assets and liabilities, and unused loss carryforwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the temporary differences, unused losses, and unused tax credits can be utilized. Deferred tax assets and liabilities are computed on temporary differences by applying enacted statutory tax rates applicable to the years when such differences are expected to reverse. Changes in the carrying amount of deferred tax assets or liabilities result from a change in tax rates or tax laws are recognized in the income statement except to the extent that the changes relate to items previously reflected directly in the shareholders' equity.

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

2 Summary of Significant Accounting Policies and Basis of Presenting Financial Statements, Continued

(w) Sale or Discount of Accounts Receivable

The Company sells or discounts certain accounts or notes receivable to financial institutions, and accounts for the transactions as sale of the receivables if the control over the receivables is substantially transferred to the buyers. The losses from the sale of the receivables are charged to current operations as incurred.

(x) Earnings Per Share

Earnings per share are calculated by dividing net income attributable to stockholders of the Company by the weighted-average number of shares outstanding during the period. Diluted earnings per share are determined by adjusting net income attributable to stockholders and the weighted-average number of shares outstanding for the effects of all dilutive potential shares.

(y) Use of Estimates

The preparation of non-consolidated financial statements in accordance with accounting principles generally accepted in the Republic of Korea requires management to make estimates and assumptions that affect the amounts reported in the non-consolidated financial statements and related notes to non-consolidated financial statements. Items requiring management's estimates and assumptions include, but not limited to, the valuation of property, plant and equipment, accounts receivable, inventories, deferred income tax and derivative contracts. Actual results may differ from those estimates.

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****3 Cash and Cash Equivalents and Short-term Financial Instruments**

Cash and cash equivalents and short-term financial instruments as of December 31, 2009 and 2008 are as follows:

(In millions of Won)

	Annual interest rate(%) at December 31, 2009	2009	2008
Cash and cash equivalents			
Checking accounts		(Won) 98	141
Time deposits	3.57~3.65	374,737	601,692
Passbook accounts in foreign currencies	0.07~1.96	329,489	605,953
		704,324	1,207,786
Short-term financial instruments			
Time deposits and others	3.30~4.44	2,500,000	2,055,000
		(Won) 3,204,324	3,262,786

4 Receivables

The Company's allowance for doubtful accounts on receivables, including trade accounts and notes receivable, as of December 31, 2009 and 2008 is as follows:

(In millions of Won)

	Gross amount	2009 Allowance for doubtful accounts	Carrying value
Trade accounts and notes receivable	(Won) 3,023,191	33	3,023,158
Other accounts receivable	81,502	89	81,413
Accrued income	41,360	119	41,241
Advance payments	11,300	113	11,187

(In millions of Won)

	Gross amount	2008 Allowance for doubtful accounts	Carrying value
Trade accounts and notes receivable	(Won) 1,695,871	293	1,695,578
Other accounts receivable	41,792	222	41,570

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Accrued income	88,237	62	88,175
Advance payments	253	3	250
Long-term other receivables	184	2	182

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****4 Receivables, Continued**

During 2009 certain trade accounts and notes receivable arising sales have been sold to financial institutions, of which trade accounts and notes receivable from the Company's subsidiaries amounting to USD 187 million ((Won)217,784 million) and JPY 950 million ((Won)12,003 million) are current and outstanding as of December 31, 2009. For the year ended December 31, 2009, the Company recognized (Won)10,571 million as loss on disposal of trade accounts and notes receivable.

5 Inventories

Inventories as of December 31, 2009 and 2008 are as follows:

(In millions of Won)

		2009	Book value
	Gross amount	Valuation loss	
Finished goods	(Won) 397,330	11,812	385,518
Work-in-process	571,612	27,541	544,071
Raw materials	237,478	8,848	228,630
Supplies	165,003	36,917	128,086
	(Won) 1,371,423	85,118	1,286,305

(In millions of Won)

		2008	Book value
	Gross amount	Valuation loss	
Finished goods	(Won) 330,361	44,154	286,207
Work-in-process	415,264	57,173	358,091
Raw materials	173,708	5,520	168,188
Supplies	95,685	26,668	69,017
	(Won) 1,015,018	133,515	881,503

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****6 Available-for-Sale Securities**

Available-for-sale securities as of December 31, 2009 and 2008 are as follows:

(In millions of Won)

	Acquisition cost	Beginning balance	2009 Unrealized gains (losses) Changes in unrealized gains and losses, net	Realized gains on disposition	Net balance at end of year	Carrying value (fair value)
Non-current asset						
Debt securities						
Government bonds	83					83
Everlight Electronics Co., Ltd. (*2)	7,628		1,599		1,599	9,227
	(Won) 7,711		1,599		1,599	9,310
Equity securities						
HannStar Display Corporation (*1)	96,249	33,248	(31,775)		1,473	97,722
Prime View International Co., Ltd. (*3)	11,522		1,390		1,390	12,912
	(Won) 107,771	33,248	(30,385)		2,863	110,634
Total	(Won) 115,482	33,248	(28,786)		4,462	119,944

(*1) In February 2008, the Company purchased 180 million shares of non-voting mandatorily redeemable convertible preferred stock of HannStar Display Corporation (Hannstar) located in Taiwan. The preferred stocks are convertible into common stocks of HannStar at a ratio of 1:1 at the option of the Company from the issue date, February 28, 2008, to the maturity, February 28, 2011. In 2009, there is no preferred stock converted into common stock.

The Company has a put option for total or partial cash redemption of convertible preferred stocks during the period from 18 months after issuance of the convertible preferred stocks to 91 days prior to maturity of them and the issuer has a call option to repay, in cash, total preferred stocks during the period from 2 years after issuance to 90 days prior to maturity.

The abovementioned convertible preferred stocks have been privately placed under the Taiwanese Law, which restricts the sale of the preferred stocks (up to 3 years), and the stocks acquired through conversion are not to be traded in the Taiwanese Stock Exchange until the original maturity of the preferred stocks.

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****6 Available-for-Sale Securities, Continued**

(*2) In November 2009, the Company acquired convertible bonds of Everlight Electronics Co., Ltd. (Everlight), a Taiwanese company which has LED packaging technologies, for strategic alliance purposes.

(*3) In December 2009, the Company purchased 420,000 GDRs (Global Depositary Receipt) of Prime View International Co., Ltd. (PVI) for strategic alliance purposes.

The fair values of the preferred stock of HannStar and the convertible bonds of Everlight have been computed by discounting estimated cash flows from the stock using yield rate that reflects HannStar's and Everlight's credit risks. The fair value of PVI's GDRs is listed price in Luxembourg Stock Exchange.

(In millions of Won)

			2008		
	Acquisition	Beginning	Unrealized gains (losses)	Net	Carrying
	cost	balance	Changes in unrealized gains and losses, net	balance at end of year	value (fair value)
Current asset					
Debt securities					
Government bonds	(Won) 74				74
Non-current asset					
Equity securities					
HannStar Display Corporation	(Won) 96,249		33,248	33,248	129,497

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****7 Equity Method Investments**

(a) 2009

(i) Investments in companies accounted for using the equity method as of December 31, 2009 are as follows:

(In millions of Won)

Company	Percentage of Ownership (%)	Acquisition cost	Net asset value	Carrying value
LG Display America, Inc.	100.00	6,082	(404,476)	
LG Display Germany GmbH	100.00	1,252	14,688	113
LG Display Japan Co., Ltd.	100.00	1,088	15,533	9,500
LG Display Taiwan Co., Ltd.	100.00	6,076	29,704	21,784
LG Display Nanjing Co., Ltd.	100.00	197,132	408,200	408,331
LG Display Shanghai Co., Ltd.	100.00	596	11,026	1,094
LG Display Poland Sp. zo.o.	80.29	131,761	174,906	174,906
LG Display Guangzhou Co., Ltd.	89.12	120,809	172,269	164,952
LG Display Shenzhen Co., Ltd.	100.00	469	5,080	362
Suzhou Raken Technology Ltd.	51.00	86,745	100,003	94,797
LG Display Singapore Pte. Ltd. (*1)	100.00	1,250	4,173	
LG Electronics (Nanjing) Plasma Co., Ltd. (*5)	100.00	3,503	2,790	2,790
Paju Electric Glass Co., Ltd.	40.00	14,400	36,256	33,901
TLI Inc. (*4)	12.69	14,074	9,914	13,345
AVACO Co., Ltd. (*4)	19.90	6,173	9,889	5,975
New Optics Ltd.	36.68	9,700	10,659	11,503
Guangzhou New Vision Technology Research and Development Limited	50.00	3,655	3,996	3,996
ADP Engineering Co., Ltd. (*2)	12.93	6,330	4,328	4,124
WooRee LED Co., Ltd. (*3)	29.57	11,900	6,502	11,537
Dynamic Solar Design Co., Ltd. (*3)	40.00	6,067	2,587	5,627
RPO, Inc. (*3)	25.96	14,538	4,858	14,538
Global OLED Technology LLC (*6)	49.00	72,250	72,250	72,250
LB Gemini New Growth Fund No.16 (*7)	30.64	1,800	1,800	1,800
		(Won) 717,650	696,935	1,057,225

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

7 Equity Method Investments, Continued

- (*1) LG Display Singapore Pte. Ltd. (LGDSG) was established in Singapore in January 2009, by incorporating the Singapore branch of the Company, to sell TFT-LCD products. It is wholly owned by the Company as of December 31, 2009.
- (*2) In February 2009, the Company acquired 3,000,000 common shares of ADP Engineering Co., Ltd. (ADP Engineering) (12.9%) at (Won)6,330 million. Although the Company's share interests in ADP Engineering is below 20%, the Company is able to exercise significant influence through its right to assign a director in the board of directors of ADP Engineering and, accordingly, the investment in ADP Engineering has been accounted for using the equity method.
- (*3) In May and June 2009, the Company acquired 6,800,000 and 933,332 common shares (29.6% and 40.0%) of WooRee LED Co., Ltd. and Dynamic Solar Design Co., Ltd. at (Won)11,900 million and (Won)6,067 million, respectively. Also, In November 2009, the Company acquired 34,125,061 common shares (26.0%) of RPO, Inc. at (Won)14,538 million.
- (*4) Although the Company's share interests in these investees are below 20%, the Company is able to exercise significant influence through its right to assign a director in the board of directors of each investee and, accordingly, the investment in these investees have been accounted for using the equity method. As of December 31, 2009, the fair values of TLI Inc. and AVACO Co., Ltd., listed in KOSDAQ, are (Won)14,900 and (Won)7,170 per share, respectively.
- (*5) In July 2009, the Company entered into a stock purchase agreement with LG Electronics Inc. and LG Electronics (China) Co., Ltd. for the acquisition of the shares of LG Electronics (Nanjing) Plasma Co., Ltd. in order to expand cell back-end process to module production. In accordance with the agreement, the Company acquired whole shares of LG Electronics (Nanjing) Plasma Co., Ltd. at (Won)3,503 million in December 2009.
- (*6) The Company entered into a joint venture agreement with other LG affiliates, accordingly, Global OLED Technology LLC was set up with the purpose of managing and utilizing OLED patents purchased from Eastman Kodak Company. The Company acquired 49% equity interest in the joint venture and the Company's investment in this equity investee is (Won)72,250 million.
- (*7) In December 2009, the Company joined the LB Gemini New Growth Fund No.16 as a member in a limited partnership with a view to searching for direct investment targets and gaining benefit from indirect investment. The Company invested (Won)1,800 million as a part of the agreed total investment amount up to (Won)30,000 million and acquired 30.6% equity interest in the fund.

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****7 Equity Method Investments, Continued**

- (ii) Changes in goodwill and negative goodwill for equity method investments for the year ended December 31, 2009 are as follows:

(In millions of Won)

Company	Balance at January 1, 2009	Increase (Decrease)	Amortized (Reversal) amount	Balance at December 31, 2009
TLI Inc.	(Won) 4,964	(71)	(1,250)	3,643
AVACO Co., Ltd.	(661)		455	(206)
New Optics Ltd.	1,498		(165)	1,333
ADP Engineering Co., Ltd.		(272)	26	(246)
WooRee LED Co., Ltd.		5,594	(559)	5,035
Dynamic Solar Design Co., Ltd.		3,378	(338)	3,040
RPO, Inc.		9,680		9,680
	(Won) 5,801	18,309	(1,831)	22,279

- (iii) Details of eliminated unrealized gains and losses from transactions between the Company and equity investees as of December 31, 2009 are as follows:

(In millions of Won)

Company	Inventories	Property, plant and equipment	Accounts receivable	Total
LG Display America, Inc.	(Won) (24,746)			(24,746)
LG Display Germany GmbH	(14,589)		14	(14,575)
LG Display Japan Co., Ltd.	(6,039)		6	(6,033)
LG Display Taiwan Co., Ltd.	(7,941)		21	(7,920)
LG Display Nanjing Co., Ltd.		131		131
LG Display Shanghai Co., Ltd.	(9,980)		48	(9,932)
LG Display Guangzhou Co., Ltd.		(7,317)		(7,317)
LG Display Shenzhen Co., Ltd.	(4,739)		21	(4,718)
Suzhou Raken Technology Ltd.	(5,178)	(28)		(5,206)
LG Display Singapore Pte. Ltd.	(4,173)			(4,173)
Paju Electric Glass Co., Ltd.	(2,355)			(2,355)
TLI Inc.	(212)			(212)
AVACO Co., Ltd.		(3,708)		(3,708)
New Optics Ltd.	(489)			(489)
ADP Engineering Co., Ltd.		42		42

(Won) (80,441)

(10,880)

110

(91,211)

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****7 Equity Method Investments, Continued**

- (iv) Changes in the balances of investments in the companies accounted for using the equity method for the year ended December 31, 2009 are as follows:

(In millions of Won)

Company	Balance at January 1, 2009	Acquisitions during the year	Dividend received	Equity income (loss)	Accumulated other comprehensive income	Other	Balance at December 31, 2009
LG Display America, Inc. (*1)	(Won)			(54,485)	31,419	23,066	
LG Display Germany GmbH	19,373			(18,071)	(1,189)		113
LG Display Japan Co., Ltd.	15,686			(5,088)	(1,098)		9,500
LG Display Taiwan Co., Ltd.	35,230			(14,405)	959		21,784
LG Display Nanjing Co., Ltd.	409,200	4,428	(28,004)	56,439	(32,620)	(1,112)	408,331
LG Display Hong Kong Co., Ltd. (*2)	2,000			(202)	(159)	(1,639)	
LG Display Shanghai Co., Ltd.	9,093			(8,117)	118		1,094
LG Display Poland Sp. zo.o.	157,864			24,359	(7,317)		174,906
LG Display Guangzhou Co., Ltd.	100,279	50,335		27,599	(13,261)		164,952
LG Display Shenzhen Co., Ltd.	3,467			(2,597)	(508)		362
Suzhou Raken Technology Ltd.	18,328	73,592		11,302	(8,425)		94,797
LG Display Singapore Pte. Ltd.		1,250		(1,680)	430		
LG Electronics (Nanjing) Plasma Co., Ltd.		3,503				(713)	2,790
Paju Electric Glass Co., Ltd. (*3)	25,841			8,060			33,901
TLI Inc. (*3)	12,565		(353)	1,316	(18)	(165)	13,345
AVACO Co., Ltd. (*3)	6,021		(204)	(63)	221		5,975
New Optics Ltd. (*3)	11,721			(418)	200		11,503
Guangzhou New Vision Technology Research and Development Limited (*3)	4,569			273	(846)		3,996
ADP Engineering Co., Ltd. (*3)		6,330		(2,206)			4,124
WooRee LED Co., Ltd. (*3)		11,900		(363)			11,537
Dynamic Solar Design Co., Ltd. (*3)		6,067		(440)			5,627
RPO, Inc. (*3)		14,538					14,538
Global OLED Technology LLC (*3)		72,250					72,250
LB Gemini New Growth Fund No.16 (*3)		1,800					1,800
	(Won) 831,237	245,993	(28,561)	21,213	(32,094)	19,437	1,057,225

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LG DISPLAY CO., LTD.

Notes to Non-Consolidated Financial Statements (Continued)

December 31, 2009 and 2008

7 Equity Method Investments, Continued

- (*1) LG Display America, Inc. (LGDUS) was sentenced to pay the fine of USD400 million by the U.S. Government. The Company recognized all losses related to LGDUS' s fine payable and recorded the cumulative loss in excess of the Company' s investment in LGDUS as long-term other accounts payable.
- (*2) LG Display Hong Kong Co., Ltd. was liquidated in November 2009.
- (*3) The Company accounted for its investments in these companies by using equity method of accounting based on the unaudited financial statements of the investees as it was unable to obtain the audited financial statements. The Company performed certain procedures to gain reasonableness of the unaudited financial statements.
- (v) Accumulated amounts of the investor' s share of losses in associates that were not recognized as the Company ceased to apply the equity method to the balance of its investment in the associate are as follows:

(In millions of Won)

Company	Percentage of ownership (%)	Amount
LG Display Singapore Pte. Ltd.	100.00	(Won) (5,472)

Table of Contents**LG DISPLAY CO., LTD.****Notes to Non-Consolidated Financial Statements (Continued)****December 31, 2009 and 2008****7 Equity Method Investments, Continued**

(vi) A summary of investees' financial data as of and for the year ended December 31, 2009, is as follows:

(In millions of Won)

Company	Total assets	Total liabilities	Total shareholders equity	Sales	Net income (loss)
LG Display America, Inc.	(Won) 615,904	1,020,380	(404,476)	2,857,404	(21,742)
LG Display Germany GmbH	792,780	778,092	14,688	3,524,751	4,390
LG Display Japan Co., Ltd.	258,636	243,103	15,533	1,754,854	4,619
LG Display Taiwan Co., Ltd.	548,417	518,713	29,704	3,293,800	2,254
LG Display Nanjing Co., Ltd.	549,667	141,467	408,200	435,439	55,462
LG Display Hong Kong Co., Ltd.					(202)
LG Display Shanghai Co., Ltd.	613,312	602,286	11,026	2,937,927	3,856
LG Display Poland Sp. z o.o.	365,054	190,148	174,906	128,444	24,359
LG Display Guangzhou Co., Ltd.	342,679	170,410	172,269	228,641	29,703
LG Display Shenzhen Co., Ltd.	143,311	138,231	5,080	1,402,129	2,188