

Disclaimer for LG Corp.'s Earnings Release of 4Q19

This report has been prepared for informational purposes only.

Consolidated Financial Statement

❖ Consolidated Statement of Financial Position

(Unit: Million KRW)

Account	'18.1Q	'18.2Q	'18.3Q	'18.4Q	'19.1Q	'19.2Q	'19.3Q	'19.4Q	QoQ	YoY
Assets	22,304,035	22,243,109	22,836,469	22,835,911	23,268,901	22,454,660	22,772,307	22,434,631	△ 1.5%	△ 1.8%
Current Assets	5,341,002	4,864,686	4,724,682	4,613,085	5,151,260	3,604,460	3,922,370	3,939,057	0.4%	△ 14.6%
Cash & Cash Equivalents	1,345,693	1,221,179	973,333	1,054,293	1,084,488	1,483,367	1,478,576	1,337,102	△ 9.6%	26.8%
Inventories	141,752	134,182	171,099	116,148	107,568	77,979	104,067	62,402	△ 40.0%	△ 46.3%
Non-Current Assets	16,963,033	17,378,423	18,111,787	18,222,826	18,117,641	18,850,200	18,849,937	18,495,574	△ 1.9%	1.5%
PP&E ²⁾	3,179,973	3,198,718	3,221,221	3,294,659	3,155,764	3,356,845	3,064,103	3,032,096	△ 1.0%	△ 8.0%
Liabilities	5,303,261	4,743,619	5,002,367	4,671,433	4,897,516	3,517,080	3,437,365	3,413,608	△ 0.7%	△ 26.9%
Current Liabilities	3,756,872	2,790,770	3,016,690	3,039,531	3,405,693	2,177,052	2,196,266	2,244,800	2.2%	△ 26.1%
Short-term Borrowings	387,954	120,686	134,249	234,482	323,090	446,126	445,303	357,629	△ 19.7%	52.5%
Non-Current Liabilities	1,546,389	1,952,849	1,985,677	1,631,902	1,491,823	1,340,028	1,241,099	1,168,808	△ 5.8%	△ 28.4%
Long-term Debts	1,014,700	1,400,092	1,415,297	1,285,055	1,142,188	944,101	880,910	757,385	△ 14.0%	△ 41.1%
Shareholder's Equity	17,000,774	17,499,490	17,834,102	18,164,478	18,371,385	18,937,580	19,334,942	19,021,021	△ 1.6%	4.7%
Capital Stock	879,359	879,359	879,359	879,359	879,359	879,359	879,359	879,359	0.0%	0.0%
Capital Surplus	2,365,549	2,365,545	2,365,545	2,365,545	2,363,147	2,363,147	2,363,147	2,363,147	0.0%	△ 0.1%
Accumulated Other Comprehensive Income	(185,306)	(157,218)	(266,874)	(292,418)	(162,623)	(71,128)	(8,965)	(112,366)	-	-
Other Capital Items	(2,385)	(2,385)	(2,385)	(2,385)	(2,385)	(2,385)	(2,385)	(2,385)	-	-
Retained Earnings	13,790,939	14,255,821	14,698,276	15,048,624	15,128,931	15,598,426	15,922,373	15,699,266	△ 1.4%	4.3%
Minority Interests	152,618	158,368	160,181	165,753	164,956	170,161	181,413	194,000	6.9%	17.0%

Source : Company's consolidated financials under K-IFRS

1) As the financial information of 4Q '19 has been prepared in advance, it is subject to change during the final audit.

2) PP&E : Property, Plant and Equipment

Consolidated Financial Statement

❖ Consolidated Statement of Income

(Unit: Million KRW)

'19.3Q vs 4Q '18 vs '19

Account	'18.1Q	'18.2Q	'18.3Q	'18.4Q	2018	'19.1Q	'19.2Q	'19.3Q	'19.4Q	2019	QoQ	YoY
Sales	1,882,145	1,911,046	1,899,630	2,050,535	7,743,356	1,627,265	1,619,631	1,675,344	1,653,099	6,575,339	△ 1.3%	△ 15.1%
G/L on Valuation of Equity Method Securities	473,277	366,860	387,141	42,688	1,269,966	376,815	163,999	227,200	(269,069)	498,945	Turn Red	△ 60.7%
Cost of Sales	1,227,430	1,362,213	1,339,670	1,690,053	5,619,366	1,091,816	1,267,575	1,232,325	1,624,941	5,216,657	31.9%	△ 7.2%
Gross Profit	654,715	548,833	559,960	360,482	2,123,990	535,449	352,056	443,019	28,158	1,358,682	△ 93.6%	△ 36.0%
SG&A	70,848	61,969	73,735	96,181	302,733	72,210	80,950	87,626	93,798	334,584	7.0%	10.5%
Operating Profit	583,867	486,864	486,225	264,301	1,821,257	463,239	271,106	355,393	(65,640)	1,024,098	Turn Red	△ 43.8%
Net Non-operating Income	(7,183)	(5,343)	(8,372)	(27,117)	(48,015)	(2,666)	(690)	(4,976)	(4,678)	(13,010)	-	-
Non-operating Income	17,875	16,363	10,489	18,274	63,001	16,867	21,635	22,566	26,914	87,982	19.3%	39.7%
Non-operating Expenses	25,058	21,706	18,861	45,391	111,016	19,533	22,325	27,542	31,592	100,992	14.7%	△ 9.0%
Income Before Tax	576,684	481,521	477,853	237,184	1,773,242	460,573	270,416	350,417	(70,318)	1,011,088	Turn Red	△ 43.0%
Profit from Continuing Operations	513,237	445,787	433,998	429,360	1,822,382	421,868	226,401	340,585	(181,685)	807,169	Turn Red	△ 55.7%
Profit from Discontinued Operations	42,799	28,976	26,591	(37,851)	60,515	30,659	283,958	291	(15,322)	299,586	Turn Red	395.1%
Net Income	556,036	474,763	460,589	391,509	1,882,897	452,527	510,359	340,876	(197,007)	1,106,755	Turn Red	△ 41.2%
Controlling Interests	553,685	468,917	458,515	382,764	1,863,881	449,586	505,034	332,966	(207,637)	1,079,949	Turn Red	△ 42.1%

Source : Company's consolidated financials under K-IFRS

1) As the financial information of 4Q '19 has been prepared in advance, it is subject to change during the final audit .

Financial Results of LG Subsidiary Companies (Electronics & Chemical)

(Unit: Million KRW)

Business	Company	P/L	2019					2018					2017
			1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total
Electronics	LG Electronics	Sales Revenue	14,915,064	15,629,264	15,700,645	16,061,202	62,306,175	15,123,041	15,019,311	15,427,050	15,772,262	61,341,664	61,396,284
		Operating Income	900,639	652,237	781,461	101,802	2,436,139	1,107,817	770,969	748,789	75,716	2,703,291	2,468,549
		Income Before Tax	754,379	227,119	433,999	(886,859)	528,638	968,968	548,465	615,487	(124,345)	2,008,575	2,558,112
		Net Income	577,965	106,013	345,700	(849,730)	179,948	729,871	326,486	497,108	(80,651)	1,472,814	1,869,518
(LGE's Affiliates)	LG Display	Sales Revenue	5,878,781	5,353,410	5,821,681	6,421,695	23,475,567	5,675,164	5,611,248	6,102,363	6,947,796	24,336,571	27,790,216
		Operating Income	(132,019)	(368,743)	(436,738)	(421,882)	(1,359,382)	(98,323)	(228,108)	140,071	279,251	92,891	2,461,618
		Income Before Tax	(128,658)	(443,020)	(600,219)	(2,172,976)	(3,344,873)	(95,774)	(340,021)	110,263	234,166	(91,366)	2,332,632
		Net Income	(62,640)	(550,180)	(442,204)	(1,817,054)	(2,872,078)	(48,982)	(300,543)	17,508	152,574	(179,443)	1,937,052
	LG Innotek	Sales Revenue	1,368,630	1,522,325	2,445,946	2,965,167	8,302,068	1,720,530	1,517,884	2,313,182	2,430,508	7,982,104	7,641,361
		Operating Income	(11,413)	18,772	186,519	209,251	403,129	16,826	13,396	129,695	103,600	263,517	296,491
		Income Before Tax	(47,560)	(9,282)	153,241	61,830	158,229	(10,482)	20,003	116,926	57,568	184,015	238,704
		Net Income	(32,995)	(5,166)	124,992	15,469	102,300	(9,698)	15,875	93,679	63,244	163,100	174,778
Chemical	LG Chem	Sales Revenue	6,639,073	7,177,445	7,347,302	7,461,222	28,625,042	6,553,590	7,051,853	7,234,858	7,342,712	28,183,013	25,698,014
		Operating Income	275,367	267,515	380,274	(27,508)	895,648	650,841	703,291	602,379	289,559	2,246,070	2,928,457
		Income Before Tax	279,583	192,944	243,901	(155,868)	560,560	653,196	644,252	485,086	157,514	1,940,048	2,563,895
		Net Income	211,938	83,823	137,185	(56,842)	376,104	552,744	493,395	346,600	126,573	1,519,312	2,021,973
	LG Hausys	Sales Revenue	757,138	836,189	788,483	804,997	3,186,807	778,451	860,018	819,343	808,684	3,266,496	3,256,451
		Operating Income	10,963	29,730	24,887	3,197	68,777	14,889	18,620	8,676	28,185	70,370	132,982
		Income Before Tax	2,482	20,663	16,836	(26,200)	13,781	4,357	6,141	2,594	(30,703)	(17,611)	91,605
		Net Income	(859)	26,724	12,034	(26,334)	11,565	5,281	3,054	(3,020)	(58,442)	(53,127)	67,855
	LG H&H	Sales Revenue	1,874,774	1,832,491	1,964,870	2,013,289	7,685,424	1,659,222	1,652,585	1,737,237	1,698,493	6,747,537	6,270,464
		Operating Income	322,096	301,496	312,982	239,837	1,176,411	283,667	267,252	277,539	210,792	1,039,250	930,351
		Income Before Tax	306,527	287,437	303,759	194,358	1,092,081	267,008	254,494	271,194	163,309	956,005	861,404
		Net Income	225,753	211,542	217,066	133,812	788,173	196,400	187,422	207,173	101,284	692,279	618,550
	LG MMA	Sales Revenue	167,016	177,976	170,869	149,681	665,542	201,952	217,031	217,083	189,901	825,967	692,333
		Operating Income	38,865	33,807	21,984	5,260	99,916	56,957	64,026	59,504	43,560	224,047	159,979
		Income Before Tax	41,050	35,047	22,477	4,663	103,237	58,050	67,000	60,418	44,979	230,447	161,908
		Net Income	31,530	26,026	16,394	4,607	78,557	44,268	50,831	45,841	34,683	175,623	123,096

Source : Company's Consolidated Financials under K-IFRS

1) As the financial information of 4Q '19 has been prepared in advance, it is subject to change during the final audit .

2) This list consists of major LG subsidiary companies at the end of 4Q 2019.

Financial Results of LG Subsidiary Companies (Telco & Services)

(Unit: Million KRW)

Business	Company	P/L	2019					2018					2017
			1Q	2Q	3Q	4Q	Total	1Q	2Q	3Q	4Q	Total	Total
Telecomm. & Services	LG U+	Sales Revenue	3,020,351	3,199,604	3,244,166	2,917,848	12,381,969	2,979,933	2,980,738	2,991,851	3,172,529	12,125,051	12,279,382
		Operating Income	194,628	148,555	155,912	187,149	686,244	187,664	211,071	228,119	104,091	730,945	826,295
		Income Before Tax	175,604	132,273	135,983	130,080	573,940	162,003	189,036	207,861	89,367	648,267	666,820
		Net Income	132,571	98,498	104,452	103,310	438,831	115,507	137,076	153,755	75,271	481,609	547,118
	LG CNS	Sales Revenue	613,883	763,303	798,011	1,108,117	3,283,314	612,025	655,920	760,500	1,089,211	3,117,656	3,003,212
		Operating Income	23,152	46,341	44,937	98,419	212,849	35,081	35,394	28,530	88,054	187,059	215,650
		Income Before Tax	23,747	46,817	42,020	94,737	207,321	25,967	32,276	26,057	77,262	161,562	193,594
		Net Income	15,159	35,910	39,919	72,464	163,452	18,600	28,205	14,848	48,855	110,508	100,106
	S&I	Sales Revenue	546,353	580,770	540,337	733,293	2,400,753	707,556	787,830	648,943	840,936	2,985,265	2,844,064
		Operating Income	24,008	15,346	26,452	69,005	134,811	34,792	32,404	14,854	90,731	172,780	60,342
		Income Before Tax	20,398	19,023	37,865	60,941	138,227	30,952	31,390	8,039	85,892	156,273	39,512
		Net Income	38,271	292,825	31,284	26,492	388,872	45,023	54,022	31,736	25,217	155,998	140,732
	LG International	Sales Revenue	2,542,664	2,615,094	2,759,775	2,613,324	10,530,857	2,387,412	2,349,830	2,571,988	2,678,995	9,988,225	12,827,237
		Operating Income	53,334	50,561	29,235	1,654	134,784	60,696	54,431	46,979	3,553	165,659	212,254
		Income Before Tax	49,263	137,015	11,805	(273,367)	(75,284)	69,591	49,232	43,991	(6,219)	156,595	177,891
		Net Income	89,249	101,647	8,986	(214,743)	(14,861)	(78,062)	27,693	29,505	(15,127)	(35,991)	88,185
	LG Sports	Sales Revenue	5,879	23,279	21,307	16,240	66,705	5,267	23,191	24,579	7,458	60,495	62,002
		Operating Income	(9,896)	7,919	5,225	(2,255)	993	(9,923)	9,167	10,093	(7,933)	1,404	(2,812)
		Income Before Tax	(10,065)	7,753	5,053	(2,733)	8	(10,141)	9,048	9,880	(8,155)	632	(3,474)
		Net Income	(10,065)	7,753	5,053	(3,018)	(277)	(10,141)	9,048	9,880	(8,155)	632	(3,474)
	LG MDI	Sales Revenue	21,390	24,902	24,806	20,597	91,695	20,005	23,083	22,669	21,094	86,851	80,631
		Operating Income	2,216	3,435	1,888	(1,284)	6,255	814	1,817	1,264	1,465	5,360	1,842
		Income Before Tax	2,371	3,526	2,075	(1,164)	6,808	953	1,945	1,438	1,633	5,969	2,379
		Net Income	1,132	3,417	1,397	(931)	5,015	(706)	2,352	1,565	1,092	4,303	1,762
	GIIR	Sales Revenue	65,948	162,732	74,486	238,921	542,087	68,706	147,110	116,715	205,676	538,207	501,301
		Operating Income	(7,808)	4,109	(4,715)	30,306	21,892	(3,601)	600	3,916	24,497	25,412	19,713
		Income Before Tax	(7,583)	3,130	(4,332)	29,840	21,055	(3,564)	1,017	4,187	24,861	26,501	19,615
		Net Income	(5,955)	56	(4,477)	25,635	15,259	(2,880)	835	1,875	18,467	18,297	14,083

Source : Company's Consolidated Financials under K-IFRS

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2) This list consists of major LG subsidiary companies at the end of 4Q 2019.