



1Q 21 Earnings Release IR Presentation

LG Corp.

MAY 2021



Table of Contents

1. 2021 1Q Earnings Overview	3
2. Major Consolidated Subsidiaries Overview (LG CNS, S&I Corp.)	7
3. LG Corp. Capital Allocation Plan	9
4. Spin-off : Details	12

1. (1) 1Q 21 Earnings Overview – LG Corp. Consolidated Income Statement

Account (KRW MM)	2019	'20.1Q	'20.2Q	'20.3Q	'20.4Q	2020	'21.1Q	'20 4Q vs '21 1Q	'20 1Q vs '21 1Q
								QoQ	YoY
Sales	6,534,451	1,509,762	1,482,397	1,906,227	1,733,751	6,632,137	2,180,459	25.8%	44.4%
G/L on Valuation of Equity Method Securities	467,864	459,223	250,054	568,226	(73,807)	1,203,696	860,026	Turn Black	87.3%
Cost of Sales	5,205,548	885,271	1,038,514	1,101,501	1,539,272	4,564,558	1,095,815	(28.8%)	23.8%
Gross Profit	1,328,903	624,491	443,883	804,726	194,479	2,067,579	1,084,644	457.7%	73.7%
SG&A	334,584	89,768	94,768	85,160	95,645	365,341	83,786	(12.4%)	(6.7%)
Operating Profit	994,319	534,723	349,115	719,566	98,834	1,702,238	1,000,858	912.7%	87.2%
Net Non-operating Income	(13,714)	8,540	(3,856)	44,408	2,893	51,985	119,305	4,023.9%	1,297.0%
Non-operating Income	87,267	37,437	14,193	68,137	116,178	235,945	140,112	20.6%	274.3%
Non-Operating Expenses	100,981	28,897	18,049	23,729	113,285	183,960	20,807	(81.6%)	(28.0%)
Pre-Tax Income	980,605	543,263	345,259	763,974	101,727	1,754,223	1,120,163	1,001.1%	106.2%
Profit from Continuing Operations	785,003	514,398	122,207	714,774	78,254	1,429,633	1,022,960	1,207.2%	98.9%
Profit from Discontinued Operations	321,752	77,684	9,004	46,915	(22,578)	111,025	34,433	Turn Black	(55.7%)
Net Income	1,106,755	592,082	131,211	761,689	55,676	1,540,658	1,057,393	1,799.2%	78.6%
Controlling Interests	1,079,949	589,422	119,933	742,404	13,914	1,465,673	1,040,022	7,374.6%	76.4%

Source : Company's Consolidated Financial Statements under K-IFRS

* As the financial data of 1Q21 have been prepared in advance, they are subject to change during the final review by external auditors.

1. (2) 1Q 21 Earnings Overview – LG Corp. Consolidated Balance Sheet

Account (KRW MM)	2019	'20.1Q	'20.2Q	'20.3Q	2020	'21.1Q	'20 4Q vs '21 1Q	'20 1Q vs '21 1Q
							QoQ	YoY
Assets	22,434,631	22,634,923	23,698,949	24,409,713	24,282,268	25,162,045	3.6%	11.2%
Current Assets	3,939,057	3,792,161	4,529,722	4,632,676	5,895,921	6,372,438	8.1%	68.0%
Cashable Assets ⁽¹⁾	1,904,793	2,116,791	3,138,452	3,037,506	2,960,187	3,170,619	7.1%	49.8%
Inventories	62,402	76,818	87,109	75,537	41,682	56,711	36.1%	(26.2%)
Non-Current Assets	18,495,574	18,842,762	19,169,227	19,777,037	18,386,347	18,789,607	2.2%	(0.3%)
PP&E ⁽²⁾	3,032,096	3,022,272	3,008,869	2,986,366	2,947,472	2,750,450	(6.7%)	(9.0%)
Liabilities	3,413,608	3,354,791	3,319,795	3,321,146	3,420,978	5,219,390	52.6%	55.6%
Current Liabilities	2,244,800	2,186,769	1,990,000	1,960,541	2,133,263	3,999,703	87.5%	82.9%
Short-term Borrowings	357,629	355,176	282,742	288,145	301,250	293,532	(2.6%)	(17.4%)
Non-Current Liabilities	1,168,808	1,168,022	1,329,795	1,360,605	1,287,715	1,219,687	(5.3%)	4.4%
Long-term Debts	757,385	761,849	900,036	907,357	927,438	841,633	(9.3%)	10.5%
Shareholder's Equity	19,021,021	19,280,132	20,379,154	21,088,567	20,861,290	19,942,655	(4.4%)	3.4%
Capital Stock	879,359	879,359	879,359	879,359	879,359	879,359	0.0%	0.0%
Capital Surplus	2,363,147	2,363,147	3,003,926	3,003,926	2,964,730	2,969,304	0.2%	25.7%
AOCI ⁽³⁾	(112,366)	(44,364)	(56,739)	(103,355)	(365,812)	(239,620)	-	-
Other Capital Items	(2,385)	(2,385)	(2,385)	(2,385)	(2,385)	(1,659,704)	-	-
Retained Earnings	15,699,266	15,902,347	16,010,521	16,748,411	16,782,359	17,409,009	3.7%	9.5%
Minority Interests	194,000	182,028	544,472	562,611	603,039	584,307	(3.1%)	221.0%

Source : Company's Consolidated Financial Statements under K-IFRS

* As the financial data of 1Q 21 have been prepared in advance, they are subject to change during the final review by external auditors.

Notes:

1. Cashable Assets = Cash & Cash Equivalents + Bank Deposits

2. PPE: Property, Plant, and Equipment

3. AOCI: Accumulated Other Comprehensive Income

1. (3) 1Q 21 Earnings Overview – LG Subsidiaries (Electronics & Chemical)

Business Division	Company	Account (KRW Bn)	2021	2020					2019
			1Q	1Q	2Q	3Q	4Q	Total	
Electronics	LG Electronics	Sales Revenue	18,809.5	14,727.8	12,833.8	16,919.6	18,780.9	63,262.0	62,306.2
		Operating Income	1,516.6	1,090.4	495.4	959.0	650.2	3,195.0	2,436.1
		Income before Tax	1,493.6	1,389.4	147.9	771.6	146.7	2,455.6	528.6
		Net Income	1,169.1	1,086.7	65.6	649.2	262.3	2,063.8	179.9
	LG Display	Sales Revenue	6,882.8	4,724.2	5,307.0	6,737.6	7,461.2	24,230.1	23,475.6
		Operating Income	523.0	(361.9)	(517.0)	164.4	685.5	(29.1)	(1,359.4)
		Income before Tax	323.3	(294.9)	(668.9)	(54.3)	423.1	(595.1)	(3,344.9)
		Net Income	265.8	(198.9)	(503.8)	11.1	621.0	(70.6)	(2,872.1)
	LG Innotek	Sales Revenue	3,071.8	2,010.9	1,539.9	2,229.8	3,852.7	9,633.2	8,302.1
		Operating Income	345.4	138.0	42.9	89.4	336.4	606.7	403.1
		Income before Tax	332.3	109.3	14.6	34.7	159.7	318.3	158.2
		Net Income	251.4	80.6	7.6	26.9	121.1	236.1	102.3
LG Chemical	LG Chem	Sales Revenue	9,650.0	6,729.2	6,935.2	7,507.3	8,904.9	30,076.5	27,353.1
		Operating Income	1,408.1	205.9	571.6	902.1	118.6	1,798.2	825.4
		Income before Tax	1,426.6	157.6	470.0	707.6	(391.6)	943.7	574.4
		Net Income	1,371.0	36.3	419.1	570.4	(343.4)	682.4	376.1
	LG H&H	Sales Revenue	2,036.7	1,896.4	1,783.2	2,070.6	2,094.4	7,844.5	7,685.4
		Operating Income	370.6	333.7	303.3	327.6	256.3	1,220.9	1,176.4
		Income before Tax	354.4	320.3	276.6	318.3	205.8	1,121.1	1,092.1
		Net Income	258.8	234.2	204.6	231.7	142.6	813.1	788.2
	LG Energy Solution	Sales Revenue	4,254.1	1Q 21 Earnings are only available as LG Energy Solution was established on 1 Dec 20.					
		Operating Income	341.2						
		Income before Tax	300.6						
		Net Income	443.0						

Source : Company's Consolidated Financial Statements under K-IFRS

1) As the financial data of 1Q21 have been prepared in advance, it is subject to change during the final review by external auditors .

2) This list consists of major LG subsidiary companies at the end of 1Q 2021

1. (4) 1Q 21 Earnings Overview – LG Subsidiaries (Telecom & Services)

Business Division	Company	Account (KRW Bn)	2021	2020					2019
			1Q	1Q	2Q	3Q	4Q	Total	
Telecom & Services	LG U ⁺	Sales Revenue	3,416.8	3,286.6	3,272.6	3,341.0	3,517.3	13,417.6	12,382.0
		Operating Income	275.6	219.8	239.7	251.2	175.5	886.2	686.2
		Income before Tax	257.0	193.5	205.7	226.1	(251.9)	373.3	573.9
		Net Income	200.9	148.8	150.6	403.4	(224.7)	478.1	438.8
	GIIR	Sales Revenue	64.9	67.0	76.1	65.1	167.4	375.6	542.1
		Operating Income	(3.0)	(7.6)	0.6	(0.6)	33.0	25.3	21.9
		Income before Tax	(3.0)	(6.2)	0.6	(0.7)	25.9	19.6	21.1
		Net Income	(2.9)	(4.9)	0.5	(1.5)	14.9	9.0	15.3
	LG CNS	Sales Revenue	754.5	636.8	721.9	798.8	1,202.9	3,360.5	3,283.3
		Operating Income	54.4	24.4	39.3	57.1	125.2	246.1	212.8
		Income before Tax	52.5	28.2	32.9	60.3	110.3	231.7	207.3
		Net Income	37.7	19.8	23.3	42.8	80.6	166.5	163.5
	S&I Corp.	Sales Revenue	455.7	343.5	421.7	438.2	501.1	1,704.5	2,400.8
		Operating Income	28.5	22.8	18.7	39.5	(5.4)	75.6	134.8
		Income before Tax	39.0	33.4	18.1	41.1	(14.3)	78.2	138.2
		Net Income	31.2	36.8	5.8	31.8	(6.7)	67.7	388.9
	LG MDI	Sales Revenue	29.9	14.3	23.3	19.7	28.1	85.4	91.7
		Operating Income	2.1	(3.0)	3.7	(2.5)	0.4	(1.3)	6.3
		Income before Tax	2.3	(2.8)	3.8	(2.6)	1.0	(0.6)	6.8
		Net Income	0.9	(4.0)	4.3	(2.2)	1.0	(0.9)	5.0
	LG Sports	Sales Revenue	5.3	5.0	15.3	14.7	22.8	57.8	66.7
		Operating Income	(6.9)	(10.7)	2.1	1.2	5.5	(1.9)	1.0
		Income before Tax	0.1	(10.9)	2.0	0.7	5.3	(3.1)	0.0
		Net Income	(0.2)	(10.9)	2.0	0.7	5.3	(3.1)	(0.3)

Source : Company's Consolidated Financial Statements under K-IFRS

1) As the financial data of 1Q21 have been prepared in advance, it is subject to change during the final review by external auditors .

2) This list consists of major LG subsidiary companies at the end of 2021 1Q

2. (1) Major Consolidated Subsidiaries Overview (LG CNS)

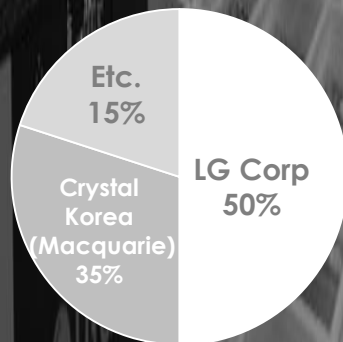
LG CNS provides customers with leading IT technology solutions for innovation and success in their businesses.

LG CNS

LG CNS provides comprehensive solutions(system construction & operation services, total outsourcing, IT solutions, SaaS and etc.) based on cutting edge IT technology and expertise earned from years of large-scale IT project successes from multiple industries.

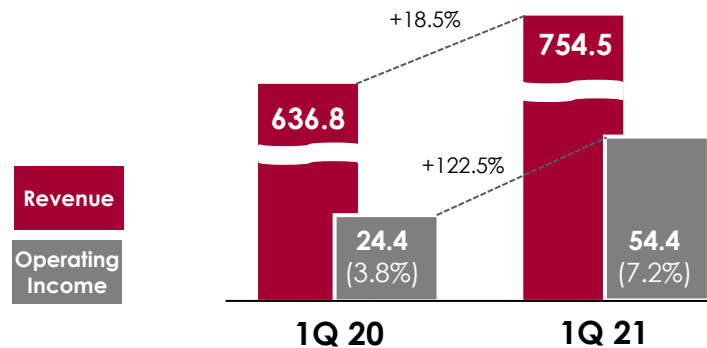
Also, LG CNS is leading digital innovation in the 4th Industrial Revolution Era as a DX enabler with AI, Big Data, IoT, Smart Logistics, Blockchain and other emerging technologies.

Shareholders



Financials

(Unit : KRW Bn)



1Q 21 Earnings Review

- Customer's acceleration in Digital Transformation has led to increase in demand for solutions in smart logistics, cloud migration & transformation and etc., leading to increase in revenue and operating income.

Highlights

#1 DX Enabler

M/S #1

(Domestic Non-captive IT Service M/S in 2020)

Consisted of Top Experts in AI and Big Data

Cloud : 1,000
AI : 300
Data : 400

(# of employees at the end of 1Q 21)

Growth in Profits & Profitability

Operating Income has grown 3x

2015 KRW 84.5 Bn (OPM 2.6%)
→ 2020 KRW 46.1 Bn (OPM 7.3%)

Preparation for Future Growth

Smart Logistics : M/S #1
(Domestic Non-captive M/S In 2020)

Emerging Technology Revenue Growth 41% in 2020

2. (2) Major Consolidated Subsidiaries Overview (S&I Corp.)

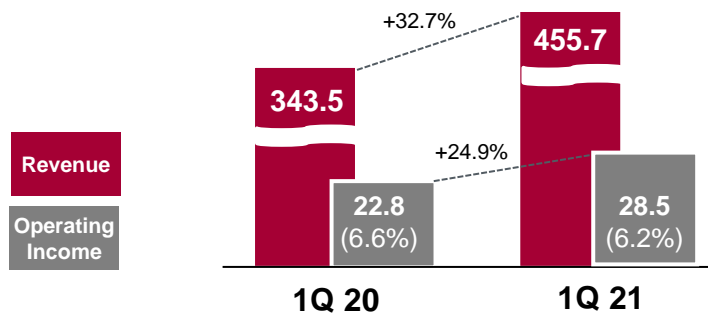
S&I Corp. is a total solutions provider and space expert of LG Group, managing business areas in Construction, CM, FM and Leisure.

S&I Corp.

S&I Corp. is a total solutions provider and space expert offering expertise and leading solutions to support the success of business partners and provide individual customers with new value and lifestyle.

Financials

(Unit : KRW Bn)



1Q 21 Earnings Review

- Revenue and Operating Income increased as client's investments in domestic & overseas production facilities increased and also due to increase in number of facilities under management.

Highlights



Construction

- Construction Capability Rank #22 (2020)
- Business Areas
 - Construction (Clean Room, Production Facility)
 - Plant (Chemical Plant)



CM *

- CM Capability Rank #3 (2019)



FM **

- 40 years of Experience (Non-captive Revenue KRW 200bn in '20)
- Business Area
 - Facility Management
 - Real Estate Lease/Management

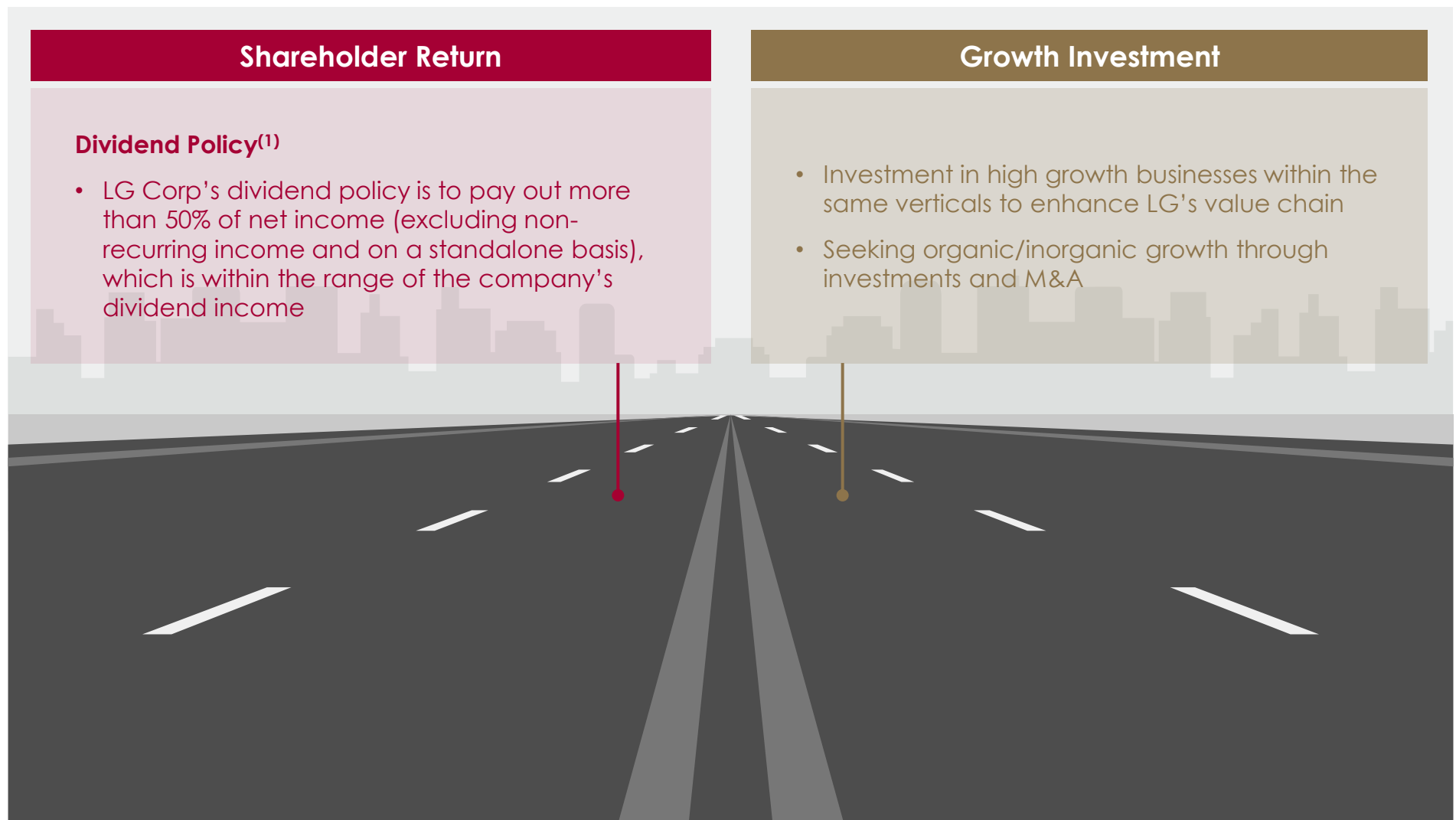


Leisure

- Konjiam Resort (9 Ski slopes & 470 Guest rooms)
- Konjiam Golf Club (18 Holes, 261acres)

* Construction Management ** Facility Management

3. LG Corp. Capital Allocation Plan

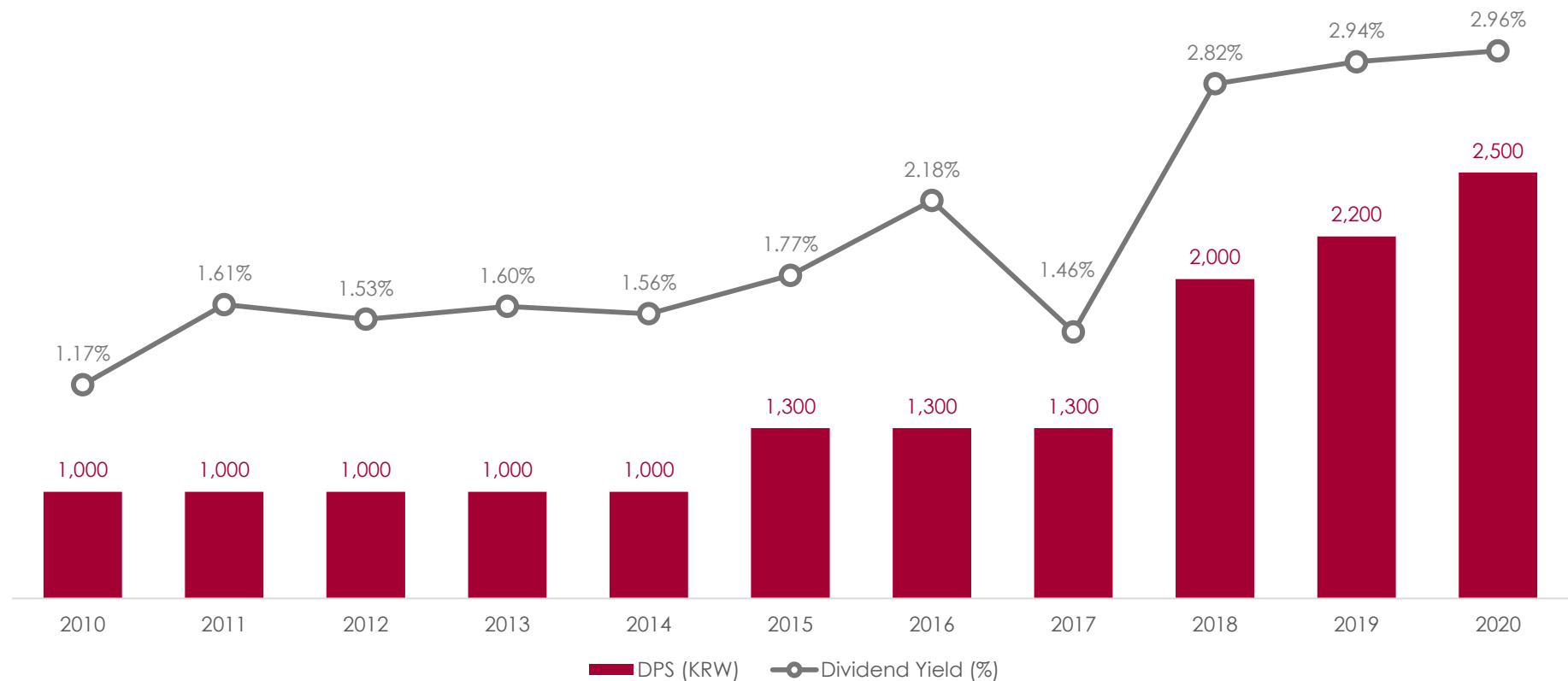


Notes:
1. As announced by LG Corp in a public disclosure on February 13, 2020

3. (1) LG Corp. Capital Allocation Plan – Shareholder Return

Compelling shareholder return in the form of dividends has been LG Corp's priority and will continue to be the primary focus

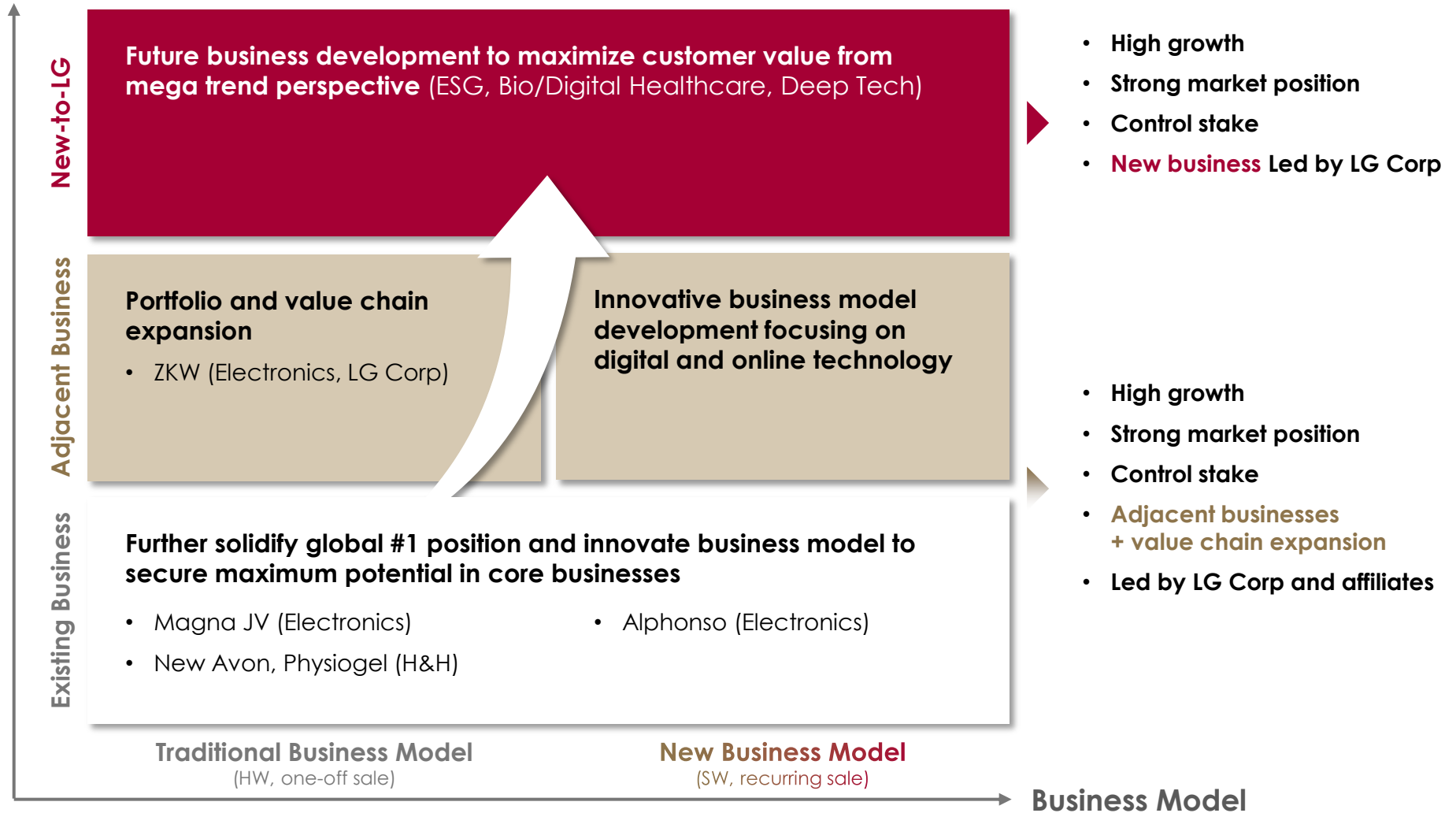
LG Corp. Historical Dividend Per Share and Dividend Yield Trend⁽¹⁾



Notes:
1. Dividend per share and dividend yield for common shares

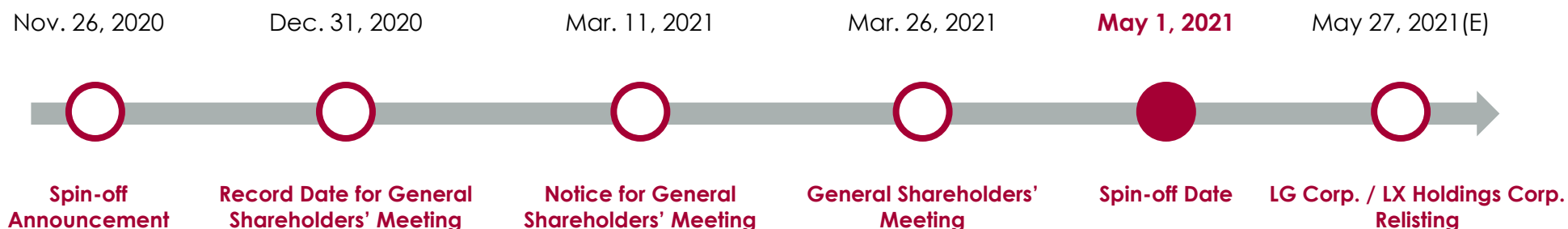
3. (2) LG Corp. Capital Allocation Plan – Growth Investment

Business Area





Spin-off Timeline and Key Terms

Spin-off Timeline



Key Terms

Entity	Company	Major Subsidiaries	Spin-Off Ratio	Face Value	Total Shares
SurvivingCo	 LG	<ul style="list-style-type: none"> • LG Electronics • LG Chem • LG Uplus 	0.9115879	KRW 5,000	Common: 157,300,993 Preferred: 3,021,620
NewCo	 LX Holdings	<ul style="list-style-type: none"> • International • Pantos • Silicon Works • Hausys • MMA 	0.0884121	KRW 1,000	Common: 76,280,690 Preferred: 1,465,285

Legal Disclaimer

This presentation and the information contained herein are for information purposes only and is not intended as an offer or solicitation of the purchase of securities.

This document contains forward-looking statements based on current assumptions and beliefs. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto as it involves a number of factors that could cause actual results to differ materially.

The contents of this document are subject to change without notice and may also change in case the assumptions or standards on which such contents are based are different. The company is not obligated to change, amend or correct the contents of this document.

Please note that in no event shall the company and its employees provide warranty or be responsible for any damages or losses that may arise in connection with the contents of this document. Therefore, any investment decisions shall be made at one's own individual judgement & responsibility.