

Press Release

LG Innotek Achieves Surplus for 7 Consecutive Quarters

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LG Innotek (CEO Ung-Beom Lee) posted 55.7 billion won in operating profit on 1.5955 trillion won in sales in the third quarter based on K-IFRS, continuing its surplus spree for seven consecutive quarters from the first quarter of last year.

Sales gained 30.8 percent, and operating profit jumped 110.7 percent year-on-year. Sales rose 4.9 percent, and operating profit increased 56.2 percent from the previous quarter.

An official at LG Innotek said, "Market-leading products in which we have secured world-best technology, including camera modules and touch windows, are spearheading our sales growth," adding, "In terms of profitability, the Company continues the surplus trend through intensive efforts to boost cost competitiveness in all business areas."

In the fourth quarter, LG Innotek will proactively cope with increasing supply of new models by strategic customers, and continue to sustain the improving profitability trend through profit-focused management, including improvement of productivity.

Additionally, the Company plans to step up efforts to develop market-leading products converging and integrating core technology, and constantly make cultural innovation, including improvement of work process and creation of work-immersion environment.

LG Innotek's Earnings in 3rd Quarter of 2013

(Unit: 100 million won)

	'13. 3Q	'12. 3Q	Ratio of gain/loss year on year	'13. 2Q	Ratio of gain/loss from previous quarter
Sales	15,955	12,199	30.8%	15,211	4.9%
Operating profit	557	265	110.7%	357	56.2%

The above data was filed based on the International Financial Reporting Standards (K-IRFS).

Earnings by Business Sector

Optics solution business posted 619.5 billion won in sales, up 130 percent year-on-year, due to increased sales of high-end products with resolution of 8 million pixels or higher, and its

proactive response to the introduction of new products by strategic customers. The sales figure represents an 11 percent hike from the previous quarter.

Substrate and material business posted 443.8 billion won in sales, up 18 percent year-on-year, due to expanded supply of high value-added semiconductor packages and timely response to demand for high-performance touch windows. The sales figure also represents a 10 percent rise from the previous quarter.

Automotive components and electronics business posted 263.5 billion won in sales, down 9 percent year-on-year, due to implementation of process to advance business structure over the mid- to long-term. But the sales figure represents a 0.1 percent gain from the previous quarter, and started to perk up, due to expansion of sales in new business, including electric motors for cars and power modules for lighting.

LED (Light Emitting Diode) business posted 286.2 billion won in sales, down 3 percent year-on-year, due to falling demand of LEDs for BLU amid a sluggish TV market, despite constantly growing sales of LED for lighting. The sales figure represents a 9 percent drop from the previous quarter.