

# LG Electronics-Company Profile

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## Key Information

LG Electronics Ltd.(LGE)	
Revenues	2010: \$48.27B
	2009: \$43.52B
	2008: \$44.84B
Revenue CAGR (2008 - 2010)	3.8%
Net profit (2010)	\$1.14B
Net profit CAGR (2008 - 2010)	67.2%
R&D expenses (Percentage of Revenue)	2010:\$1397.35M (2.37%)
	2009:\$1182.33M (2.29%)
	2008: \$424.07M (0.82%)
Number of employees	82,772
Year Established	1958
Headquarters	Seoul, South Korea
Key People	Koo Bon-joon (CEO)
Principal areas of business	Consumer Products Manufacturers: Consumer Electronics, Audio Equipment, Video Equipment, Appliances, Telecommunications Equipment
Segmental breakdown based on turnover (2010)	Home Entertainment 20.48% Mobile Communications 12.84% Home App 9.90% Air Conditioning 4.47% Business Solution 4.48%
Geographical breakdown based on turnover(2010)	Europe (17%) North America (22%) South America (13%) Korea (15%) P R China (8%) Asia (20%) ROW (5%)
Main Subsidiaries (2010)	LG Display (37.9%) LG Innotek (50.60%)
Recent Acquisition Summary	- Acquired Air-conditioning Division of LS Mtron for KRW 150 billion on 10th March 2011
	- Acquired Rental Business of Healthcare Rental Co. Ltd.
Recent License Deals Summary	- Rovi and LG Electronics signed a licensing deal on 22nd June 2011 to further integrate DivX Technology in LGs consumer electronics products

## Overview

### Vision

LG Electronics continues to pursue its 21<sup>st</sup> century vision of becoming a worldwide leader in digital?ensuring customer satisfaction through innovative products and superior service while aiming to rank among the world?s top three electronics, information, and telecommunications firms by 2010.

### Years in Business

53 Years

### Industry Type

Consumer Products Manufacturers

? Consumer Electronics

? Audio Equipment

? Video Equipment

? Appliances

? Telecommunications Equipment

### Stock Exchanges listed in with their codes

Primary Symbol & Exchange:066570 - Ordinary Shares ? Korea

Other Symbol & Exchange: LGLD - GDR - London

### Contact

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Seoul 150-721  
South Korea

**Phone** +82-2-3777-1114

**Fax** +82-2-3777-3428

URL: <http://www.lg.co.kr>; <http://www.lge.co.kr>

### Major Subsidiaries

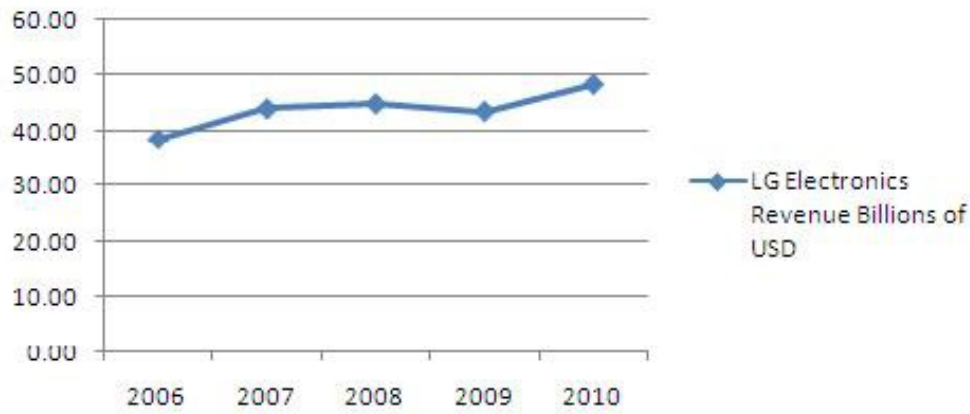
Sr. No	SUBSIDIARIES AND AFFILIATED COMPANIES	Stake
1	LG Display	38%
2	LG INNOTEK	48%
3	Hi Plaza	100%
4	Hi Business Logitics	100%
5	LG Ericsson	50%
6	Hi M Solutek	100%
7	Hi Tele Service	100%
8	LG Public Small Business Cooperation Fund	50%
9	Innovation Investment Fund	83%
10	K-TV Tech Investment Fund	100%

[List of all subsidiaries \(77\)](#)

## Company Financials

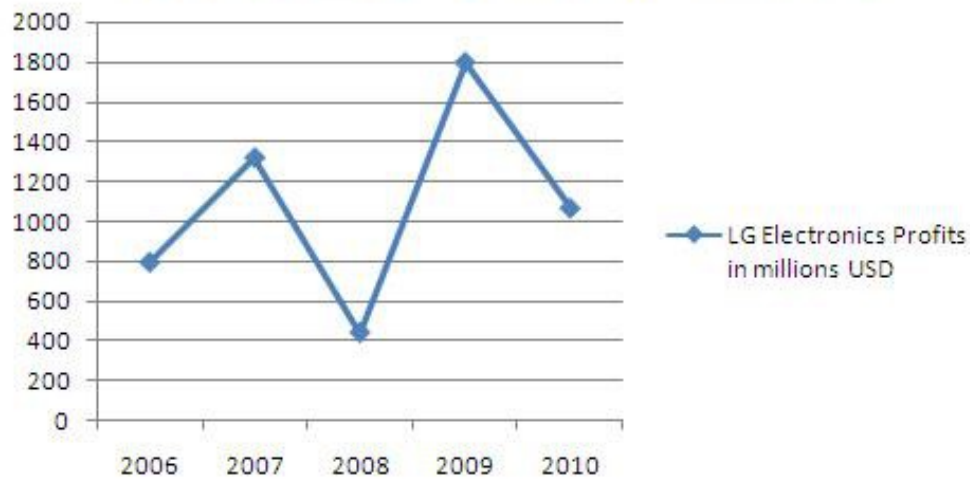
### Revenue Trends - 2006 to 2010

## LG Electronics Revenue in Billions of USD



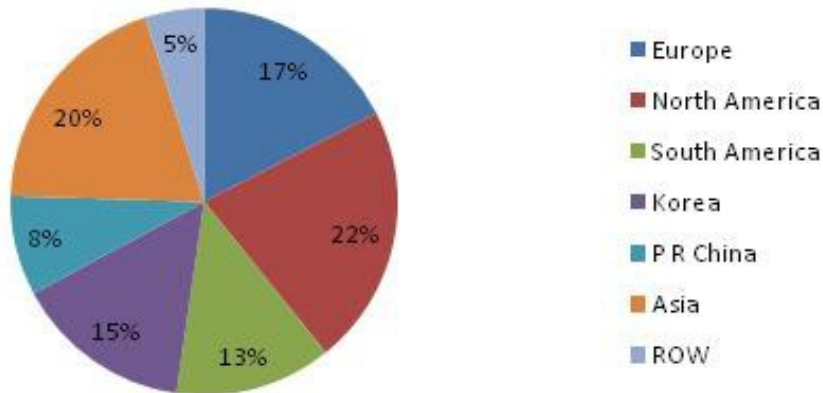
### Profit Trends - 2006 to 2010

## LG Electronics Profits in millions USD



### Geographical Analysis

## Geographical Share of Revenue of LG Electronics (Based on 2010 Sales)

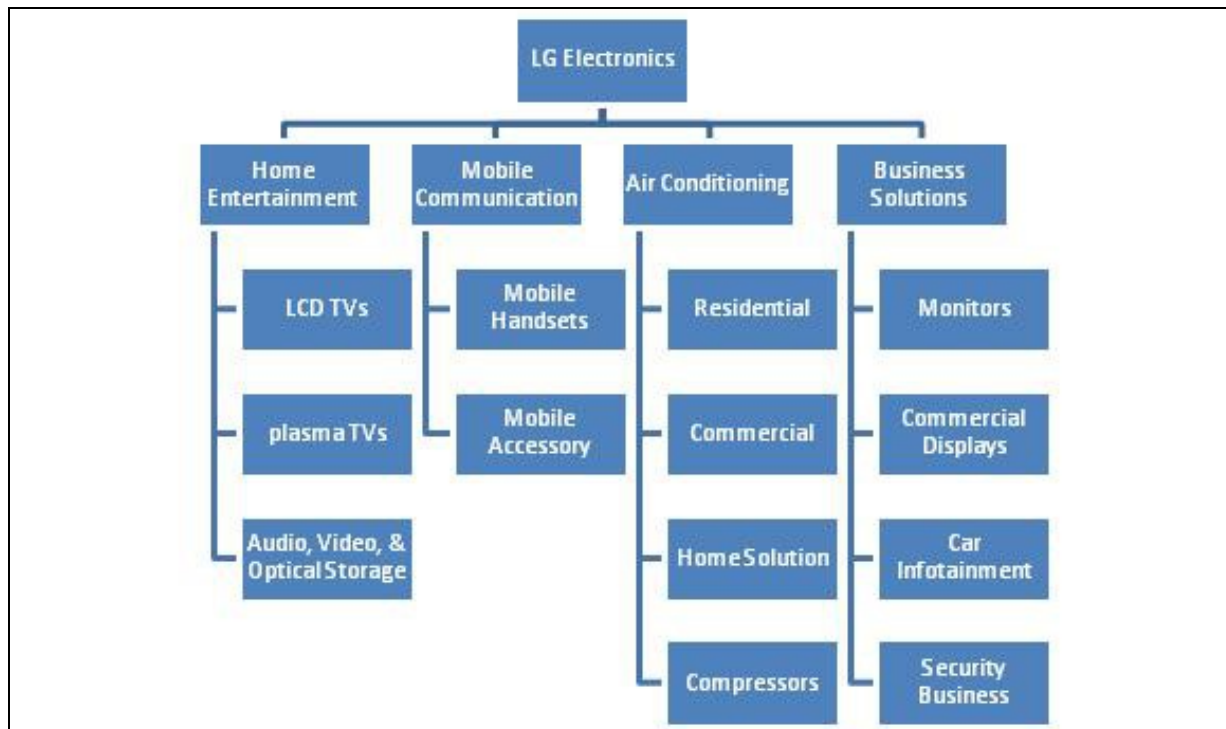


### Shareholding Pattern

Major Shareholders	Stake
LG Corp.	34.80%
National Pension Service	5.04%

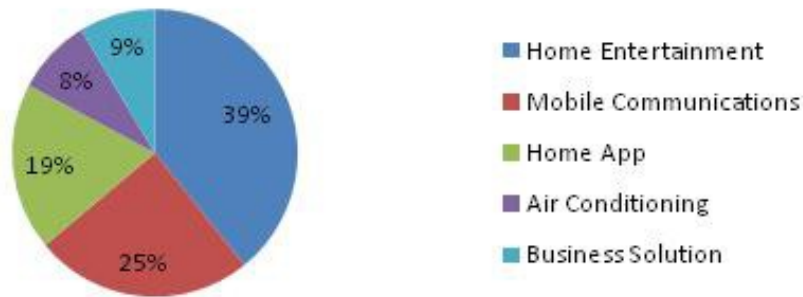
### Major Segments of LG Electronics

Typical Products of LG Electronics can be classified in following categories



Revenue Breakdown among Various Categories based on 2010 Sales

## Share of Various Segments in LG Electronics Revenue based on 2010 Sales



### Stock Performance of LG Electronics in 2010

#### Stock Price:

- ? Share Price (20-May-10): 101,000
- ? 52-Week High (02-Sep-09): 148,500
- ? 52-Week Low (20-May-10): 101,000
- ? Currency: KRW

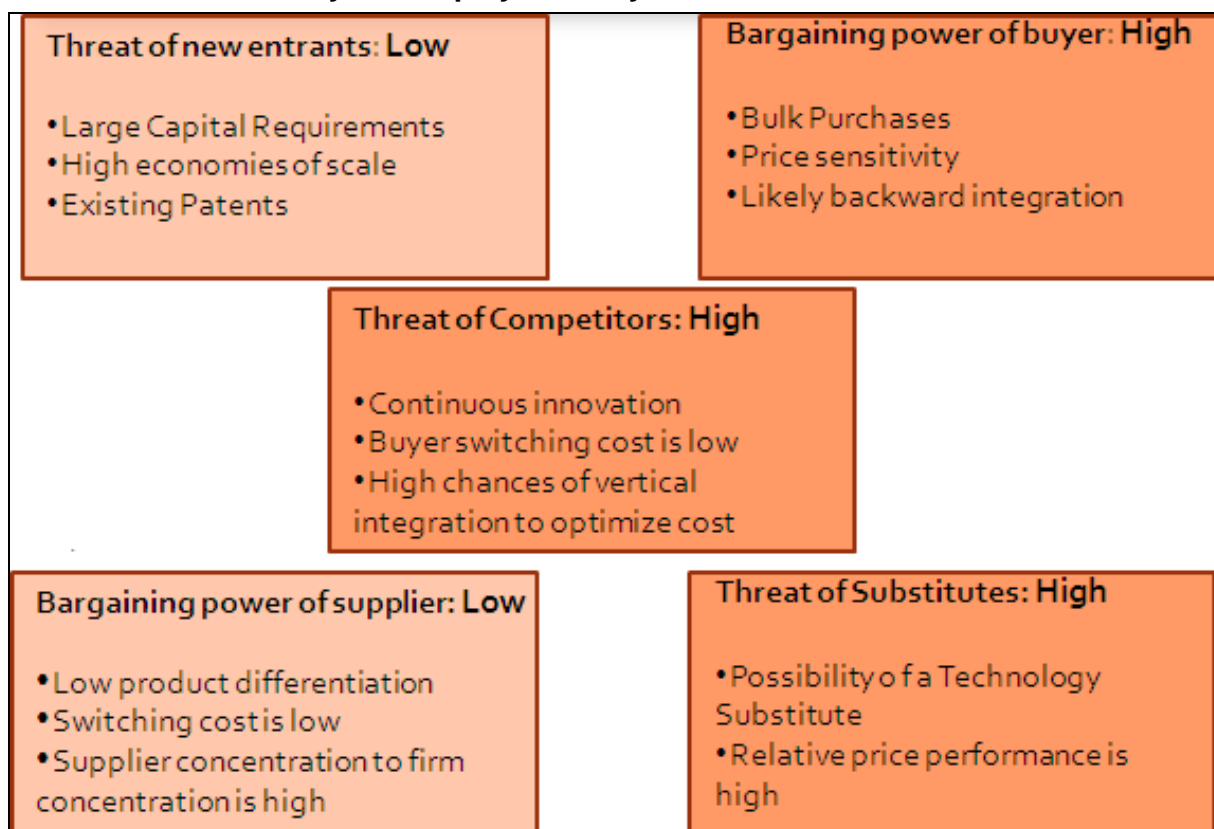
#### Dividend Information:

- ? Dividend: 1,750 KRW
- ? Pay Date: April 16, 2010
- ? Ex-Dividend Date: December 29, 2009

### SWOT Analysis of LG Electronics

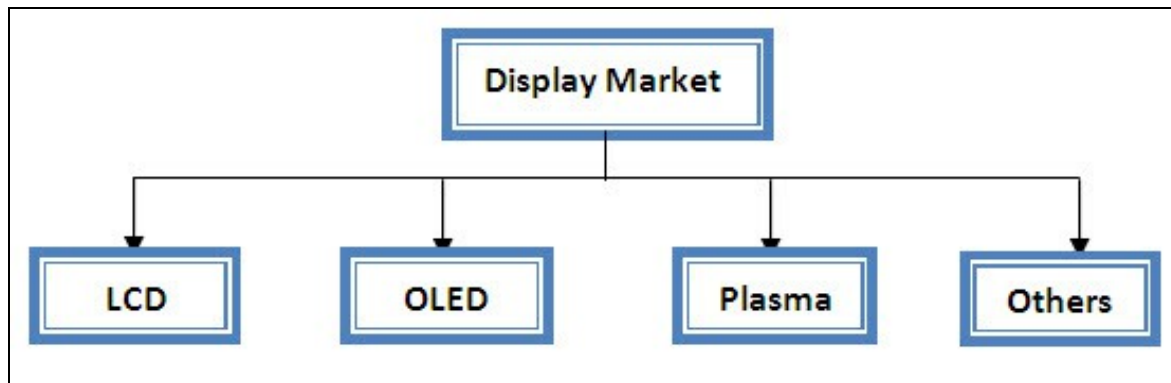


**Porter's 5 Forces analysis- Display Industry**

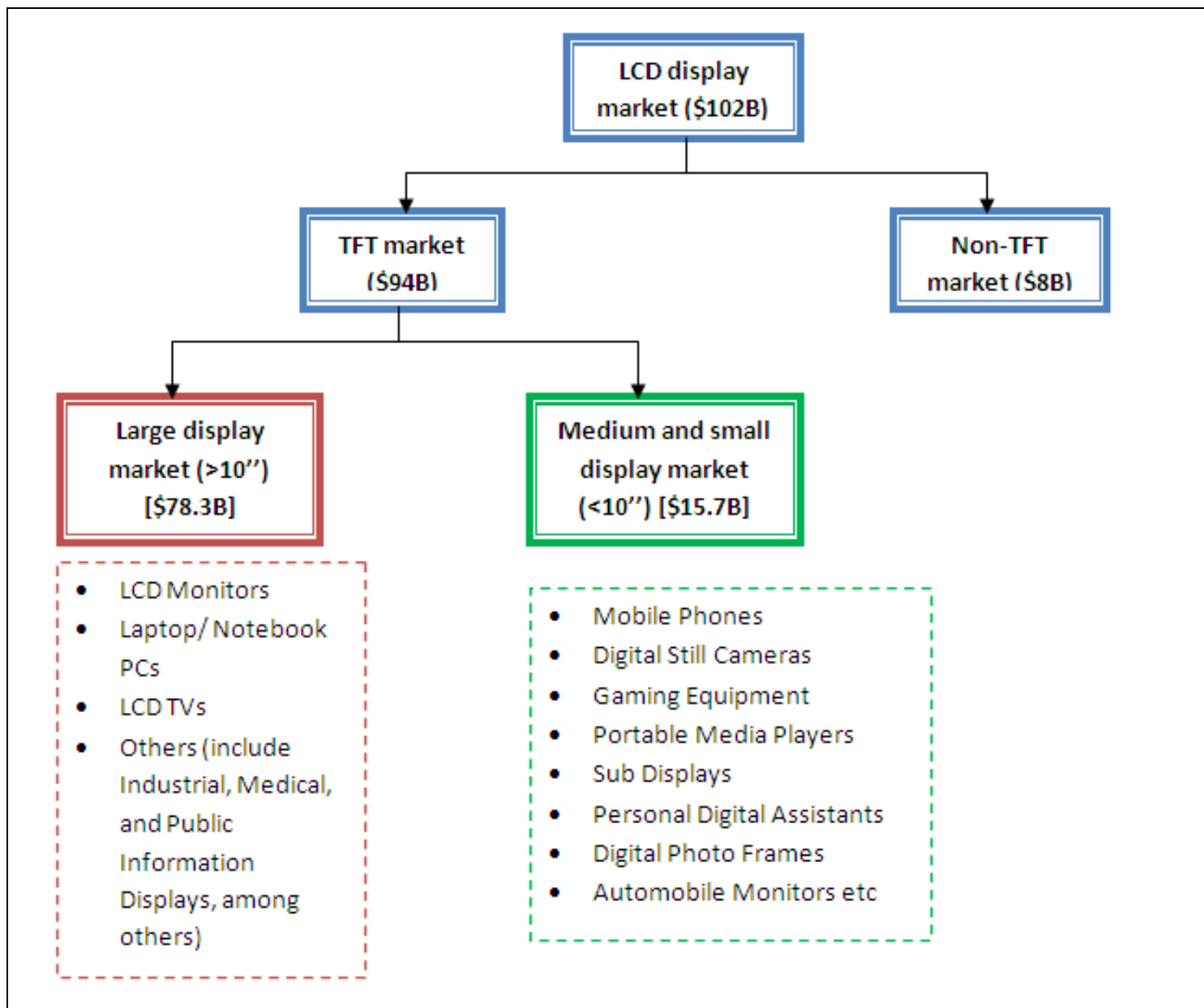


## Analysis of display business

LG Display accounted for approximately 30% of LGE's revenues in 2010. Display business is capital-intensive, competitive and cyclical.

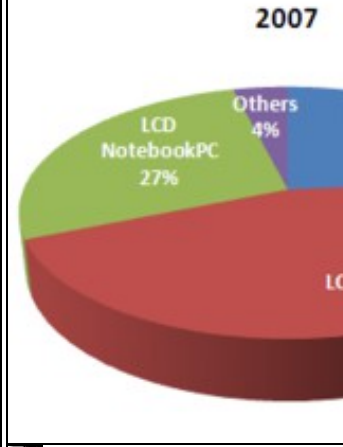
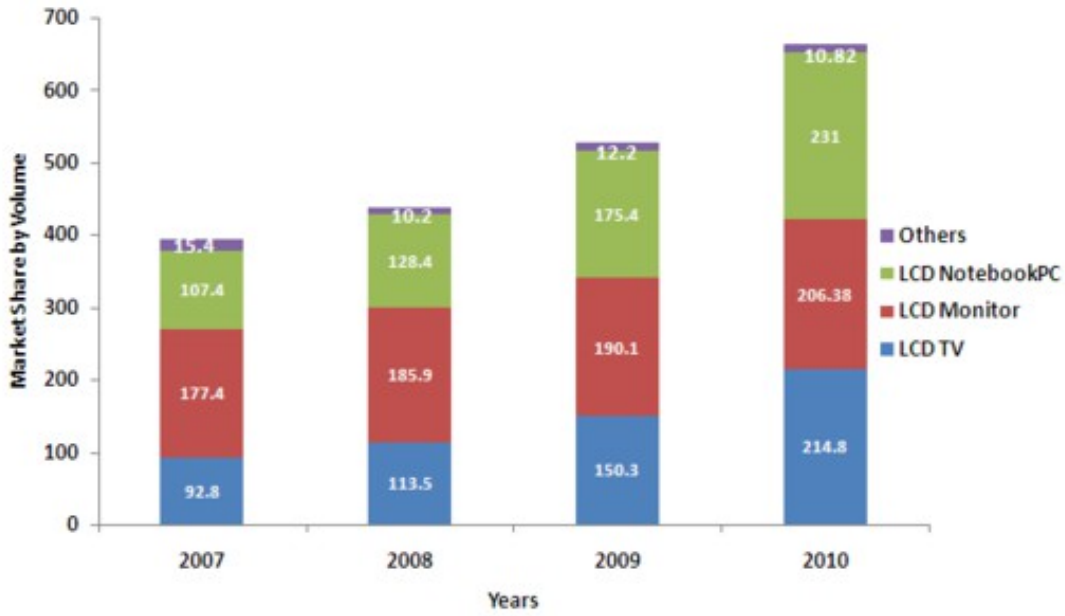


LCD display market in 2010



Large Area TFT market

### Large Area TFT LCD Shipments(MPcs.)



Sources: Displaybank, Displaysearch

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Year on year there was an increase in shipments for all the products of large area TFT LCD. In total the revenue grew by 25% in 2010 up from 20% in 2009. After recession and a laggard growth of 11.5% in 2008, the market has picked up and the revenue is growing.

- Market revenue overall is growing, but the most promising product and market that uses this technology is Television. With a growth of 42.9% in 2010 up from 32.4% in 2009, the market looks profitable.
- Notebook PC market also looks profitable, with a growth rate of 31.7%, but a decline from the previous year from 36.6%. The OLED technology is eating up the market share of the TFT LCD market share in this market.