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Completion of Sale of the Former Higashiura Fab Facilities and Recording of Extraordinary Gain on the Facilities Sale

JDI has completed the sale of its former Higashiura Fab facilities to Sony Semiconductor Manufacturing Corporation (SCK), as previously announced in "Sale of Higashiura Fab Facilities" on March 10, 2023. JDI expects to record an extraordinary gain on the sale.

The Higashiura Fab ceased production in March 2023, and JDI has relocated certain key production equipment to other JDI fabs. JDI's Higashiura Engineering Center will continue JDI's display technology design, prototyping, and analysis activity post-sale by renting a part of the facilities sold to SCK.

1. Reason for the Sale

To strengthen its cost competitiveness and profitability, JDI decided to sell the Higashiura Fab facilities, which ceased LCD display production in March 2023, to SCK. JDI and SCK had a lease agreement for part of the facilities.

2. Higashiura Fab Facilities Overview

(1) Name and Address	Higashiura Fab facilities, Chita-gun, Aichi Prefecture
(2) Gain on Sale	JPY 1,700 million (Estimated)
(3) Current Status	Idle

Note: Per SCK's request, the sale price is undisclosed, but the sale price appropriately reflects market pricing. The estimated gain on sale has been calculated by subtracting the book value and expected sale-related expenses from the sale price.

3. SCK Overview

(1) Name	Sony Semiconductor Manufacturing Corporation	
(2) Headquarters	4000-1 Haramizu, Kikuyo, Kikuchi District, Kumamoto Prefecture	
(3) Name and Title of Representative	Yoshihiro Yamaguchi Representative Director and President	
(4) Business Description	Design, development, and manufacturing of semiconductor components, and customer service	
(5) Capital	JPY 100 million	
(6) Relationship with JDI	Capital Relationship	N/A

		Personnel Relationship	N/A
		Business Relationship	JDI and SCK have a lease agreement for part of the facilities sold.
		Related Party Status	N/A

4. Earnings Impact

JDI expects to record an extraordinary gain on the facilities sales of c. JPY 1,700 million in FY25/3 Q1.

In addition, in its FY23/3 earnings JDI recorded as an extraordinary loss expected business restructuring expenses of JPY 2,234 million on the production end of the Higashiura Fab.

JDI now expects to record a reversal of part of these expenses as an extraordinary gain in FY24/3. The exact amount is under review, and JDI will promptly disclose the amount as soon as it is finalized.