

Notice Concerning the Recording of Non-Operating Income (Foreign Exchange Gain), Non-Operating Expenses (Equity in Losses of Affiliates) and Extraordinary Income (Gain on Change in Equity)

Japan Display, Inc. ("JDI") today announced that it recorded non-operating income (foreign exchange gain) and non-operating expenses (equity in losses of affiliates) alongside extraordinary income (gain on change in equity) in the consolidated first quarter of FY 2018 (April 1 – June 30, 2018). Details are described below.

* * *

1. Non-operating income (foreign exchange gain)

Due to fluctuations in the foreign exchange market JDI recorded a foreign exchange gain of 2,339 million yen as non-operating income in the first quarter of FY 2018.

The foreign exchange gain was the result of differences in financial value for sales and purchases between the time of transaction and the time of financial settlement as well as the valuation of foreign currency-denominated monetary assets and liabilities held by JDI based on the foreign exchange rate as of the last day of the accounting period.

2. Non-operating expenses (equity in losses of affiliates)

JOLED Inc. is an equity-method affiliate of JDI. Based on information in JOLED's financial accounting statements JDI recorded an investment loss of 3,071 million yen (share of loss of entities accounted for using equity method) in the first quarter as a non-operating expense.

3. Extraordinary income (gain on change in equity)

Due to a capital increase at equity-method affiliate JOLED JDI recorded a gain on change in equity in the amount of 11,943 million yen as an extraordinary income.

4. Outlook

The above-described recording of non-operating income/expenses and extraordinary income are reflected in the "Consolidated Financial Results for the Three Months of Fiscal Year 2018 (Japanese GAAP)" released today (August 8, 2018) by JDI.

###