

November 13, 2019

[English Translation]

**Notice Concerning Non-Operating Expenses (Investment Loss by the Equity Method) and Extraordinary Losses (Business Structural Improvement Expenses)**

Japan Display, Inc. ("JDI") today announced that in the second quarter of FY 2019 (July 1, 2019 to September 30, 2019) it has recorded non-operating income, non-operating expenses and extraordinary losses. Details are described below.

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**1. Recording of non-operating expenses (investment loss by the equity method, etc.)**

JDI has recorded a share of loss of entities accounted for using equity method of 2,136 million yen as a non-operating expense in the second quarter based on the financial results reported by JOLED, Inc., an affiliate accounted for by the equity method.

In addition, as indicated in the November 6, 2019 announcement titled "Notice Concerning the Recording of Non-Operating Expense (Losses Related to Typhoon No. 15)," JDI incurred losses of 613 million yen as a result of damages caused by Typhoon No. 15 and has recorded these losses under "other" in non-operating expenses in the second quarter of FY 2019.

**2. Recording of extraordinary losses (business structural improvement costs)**

As indicated in JDI's September 13, 2019 press release "(Update and Progress) Notice Concerning Downsizing of Mobile Business, Employee Reduction and Executive Officer Structure Renovation," in the second quarter JDI implemented structural reforms that included personnel reductions. The total amount of these structural reforms was 12,054 million yen, which was recorded as an extraordinary loss for the second quarter. The reforms consisted of: Voluntary early retirement-related expenses in the amount of 7,795 million yen, a penalty of 1,971 million yen for contract changes with a back-end EMS company due to supply chain adjustments, a write down of 1,439 million yen on idle assets at the Mobara Plant, 800 million yen for refunding subsidies and 47 million yen related to manufacturing equipment removal and office consolidation.

**3. Outlook**

Please see JDI's "Consolidated Financial Results for the Second Quarter of Fiscal Year 2019 (Japanese GAAP)" reported today to find the impact on JDI's financial performance due to the recording of the above-mentioned non-operating expenses and extraordinary losses.

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