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Extraordinary Gain on KOE Subsidiary Sale

As announced in "(Disclosure Update) Signing of Share Purchase Agreement for Subsidiary Sale" on October 5, 2021, Japan Display Inc. (JDI) indicated that the sale of its consolidated subsidiary, Kaohsiung Opto-Electronics Inc. (KOE), completed on December 1, 2021, would have minimal impact on its current FY22/3 consolidated earnings.

However, as a result of a comprehensive review of KOE's and its subsidiaries' financial position, the accounting treatment for JDI on the sale has been changed from a deconsolidation that passes only through the balance sheet to a sale that passes through the income statement. As a result, JDI will record a JPY 5.378 billion gain on the sale as extraordinary income in FY22/3 Q3.

Please note that the extraordinary gain only reflects a change in the accounting treatment – there has been no change in the KOE sale price of JPY 8.582 billion.

For details of the sale completion, please see the December 1, 2021 release, "(Disclosure Update) Execution of Share Purchase Agreement."