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Recording of Non-Operating Income, Non-Operating Expense, Extraordinary Gain, and Extraordinary Loss

JDI recorded the following items in its FY24/3 Q4 earnings announced today.

1. Business Services Income (Non-Operating Income)

JDI recorded FY24/3 Q4 business services income of JPY 879 million as non-operating income. FY24/3 full year business services income amounted to JPY 3,514 million. The income is based on an outsourcing agreement from April 1, 2023 to March 31, 2024 between JDI and the buyer of the Higashiura Fab facilities. JDI ended production at the Higashiura Fab in March 2023. (The sale of the facilities was completed on April 1, 2024.)

2. FX Gain (Non-Operating Income)

JDI recorded a FY24/3 Q4 FX gain of JPY 630 million as non-operating income. The FY24/3 full-year FX gain amounted to JPY 1,723 million. The FX gain was the result of gains generated on FX transactions and the remeasurement of the JPY value of foreign currency-dominated monetary assets and liabilities held by JDI on the last day of the accounting period.

3. Interest Expense (Non-Operating Expense)

JDI recorded FY24/3 Q4 interest expense of JPY 668 million as non-operating income on short-term borrowings. The FY24/3 full-year interest expense amounted to JPY 1,400 million.

4. Property Maintenance Expenses (Non-Operating Expense)

JDI recorded FY24/3 Q4 property maintenance expenses of JPY 648 million for the former Higashiura Fab facilities as non-operating expenses. The FY24/3 full-year property maintenance expenses amounted to JPY 2,574 million.

5. Reversal of Business Restructuring Expenses (Extraordinary Gain)

Of the business restructuring expenses recorded as an extraordinary loss in FY23/3, JDI recorded JPY 2,234 million as anticipated costs related to the production-end and sale of the former Higashiura Fab facilities. However, as these costs were reduced by the completion of the fab facilities sale on April 1, 2024, JDI recorded a reversal gain of JPY 417 million in FY24/3 Q4.

6. Impairment Loss (Extraordinary Loss)

JDI recorded an FY24/3 Q4 extraordinary loss on an impairment of JPY 118 million on certain assets related to the Tottori Fab, which is scheduled to end production in March 2025. The FY24/3 full year impairment loss amounted to JPY 11,115 million.

7. Earnings Impact

The business services income, FX gain, property maintenance expenses, reversal of business restructuring expenses, and impairment loss have been reflected in JDI's FY24/3 earnings announced today.

The FY24/3 earnings impact of the January 1 Ishikawa Earthquake was minimal.