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## **JDI Voluntary Retirement Program and Workforce Reduction**

JDI decided today to implement a workforce reduction in Japan and at its global subsidiaries.

### **1. Reason for Workforce Reduction**

In November 2024 JDI announced its BEYOND DISPLAY growth strategy to drive a rapid return to profitability and sustainable growth by deploying its world-class technological capabilities to the high-growth advanced semiconductor packaging and sensors businesses. To deliver profitability to JDI's loss-making display business, JDI is shedding capital-intensive assets and streamlining its production system. As announced on February 12, 2025 in "Production End and AI Data Center Conversion of Mobara Fab and Production Consolidation to Ishikawa MULTI-FAB," JDI has decided to end production at its high fixed-cost Mobara Fab by March 2026 and consolidate production at its lower-cost Ishikawa MULTI-FAB. JDI has also announced a reduction in executive compensation and bonuses and employee bonuses.

While significant positive earnings effects of the BEYOND DISPLAY growth strategy will emerge in FY27/3, strengthening JDI's financial position continues to be an urgent priority. To deliver ongoing profitability from FY27/3 onward, JDI has determined that further fundamental improvements in its cost structure and creating an organization and workforce structure appropriate for the scale of its business are essential. JDI thus decided today to carry out a workforce reduction in Japan and at its global subsidiaries. It also began consultations with its Japanese labor union about a voluntary retirement program today.

### **2. Workforce Reduction Outline**

#### **(1) Japan**

(i) Voluntary Retirement Program Target Number of Employees	c. 1,500 (Total number of employees as of March 31, 2025: 2,639)
(ii) Eligible Applicants	All JDI Japan employees
(iii) Enrollment Period	From June 16, 2025 to August 25, 2025
(iv) Retirement Date	From July 31, 2025 onward

(v) Other	In addition to JDI's standard retirement allowance, JDI will pay an additional retirement allowance. Re-employment support will also be offered to those who desire it.
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## **(2) Global Subsidiaries**

In line with its Japan-based workforce reduction, JDI will also carry out workforce reductions at its global subsidiaries in compliance with all relevant laws and regulations.

## **3. Earnings Impact**

The cost of this workforce reduction is forecast to be c. JPY 9.5 billion. If the number of applicants meets the above target of 1,500 employees in Japan, the forecast reduction in annual personnel expenses is c. JPY 13.5 billion. Because the actual earnings impact may vary depending on the number and composition of applicants, JDI will provide an update once the details are confirmed.

Through this workforce reduction, cost savings from ending production at the Mobara Fab and consolidating production at the lower-cost and more flexible Ishikawa MULTI-FAB, and significant improvements in product mix and profitability driven by its BEYOND DISPLAY growth strategy, JDI expects to achieve a positive consolidated operating profit from FY27/3.