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Recording of Interest Expense, FX Loss, Gain on Expiration of Stock Acquisition Rights, Impairment Loss, & Business Restructuring Expense

JDI recorded the following items in its FY26/3 Q1 earnings announced today.

1. Interest Expense & FX Loss (Non-Operating Expense)

JDI recorded FY26/3 Q1 interest expense on short-term borrowings of JPY 1,873 million as a non-operating expense.

JDI also recorded a FY26/3 Q1 FX loss of JPY 998 million as a non-operating expense. The FX loss was the result of gains generated from the settlement of foreign currency-denominated financial assets and liabilities held by JDI, and the remeasurement of the JPY value of these assets and liabilities on the last day of the accounting period.

2. Gain on Expiration of Stock Acquisition Rights (Extraordinary Gain)

JDI recorded a FY26/3 Q1 reversal gain of JPY 27 million as extraordinary income, following the lapse of a portion of stock acquisition rights due to the exercise period expiration.

3. Impairment Loss & Business Restructuring Expense (Extraordinary Loss)

JDI recorded a FY26/3 Q1 impairment loss of JPY 370 million due to the decline in profitability of display production.

JDI also recorded FY26/3 Q1 business restructuring expenses of JPY 7,621 million related to the scheduled production end at the Mobara Fab by December 2025 and the associated voluntary retirement program.

4. Earnings Impact

The non-operating expense, extraordinary gain, and extraordinary loss are reflected in JDI's FY26/3 Q1 earnings announced today.