

October 23, 2019

[English Translation]

Current Progress Regarding JDI's Financial Situation

Japan Display Inc. ("JDI") sincerely apologizes for any concerns caused by the delay in raising funds due to changes in the group of expected investors in Suwa Investment Holdings, LLC ("Suwa") .

As announced in a previous press release, after receiving a notice from Harvest Tech Investment Management Co., Ltd. ("Harvest Tech") stating that the fund to be organized by Harvest Tech would withdraw from its position as an expected investor in Suwa, JDI held discussions with the relevant parties. These discussions resulted in JDI receiving a letter from its customer (the "Customer") stating that the Customer would alleviate payment terms for transactions with JDI and that the Customer would invest USD 200 million in JDI through Suwa or by other means if Harvest Tech does not directly or indirectly invest in JDI. As the letter states that the Customer's support is subject to the certain conditions, such as that JDI complete a round of financing of not less than USD 450 million by December 31, 2019, including investment by the Customer, , JDI will initially aim to raise 50 billion yen by the end of November 2019.

In response to a rise in working capital resulting from an increase in demand from the Customer, the Customer from next month will provide JDI with financial support that includes a shortening of payment terms, as was stated in their letter. In addition, other business partners will also give us supports by easing their respective payment terms. As a result, we now expect to obtain up to 40 billion yen of cash flow improvement effect. Together with a total of 40 billion yen in short-term borrowings provided by INCJ, Ltd. ("INCJ") in August and September, this financial support will result in an improved cash flow that is equivalent to the originally planned funding acquisition of 80 billion yen. In addition, we expect YoY sales to increase in the first half of FY 2019 (ending March 31, 2020) due to robust sales of new products from the second quarter. Furthermore, in the third quarter and after, our break-even point should significantly improve due to a write down of business assets and the effects of structural reforms, including significant personnel reductions implemented in the first half of FY 2019. As a result of the foregoing, JDI believes that it has been able to resolve funding concerns going forward.

Although cash flow concerns have been resolved, JDI still needs to boost its capital to repair capital erosion. Accordingly, JDI will continue to work diligently on the issuance of common stock and bonds with stock acquisition rights as soon as possible. Also, subject to this issuance, we will issue preferred shares as part of our refinancing arrangement with INCJ. While we continue to negotiate with Harvest Tech for that company to invest in JDI, at present one of our business partners has indicated its intention to invest USD 50 million in JDI,

which would be in addition to the US\$200 million the Customer would invest. Backed by this support from our business partners, we are making steady progress in discussions with several financial investors who are also interested in investing in JDI. Once we have received pledges of investments for 50 billion yen or more in total from the business partners and financial investors mentioned above as well as from Oasis Management Company Ltd., an expected investor that plans to invest an amount between USD 150 and 180 million, JDI will promptly implement all necessary procedures and hold an extraordinary general shareholder meeting when necessary to implement the capital increase as soon as possible. Even if these implementation procedures require more time than anticipated, as mentioned above, we do not anticipate any problems as we have taken all possible steps to bolster our cash position including strong financial support from multiple business partners.

Through the aforementioned improvements in our business environment and the implementation of structural reforms, JDI will accelerate the restructuring of its businesses with the aim of achieving profitability from the third quarter of FY 2019 onwards. Together with these efforts, we will do our utmost to dispel concerns among our stakeholders and strive to ease any anxiety as soon as possible. We ask all of our stakeholders for their continued support and understanding, taking into account the current funding conditions as described above. And we will promptly announce updated information as soon as specific progress has been made.

The information contained in the press release is as of the date of the announcement and is subject to change without prior notice. Of the information contained in this press release, our forecasts, plans and other forward-looking statements are based on our analysis and judgments subject to the information available to us as of the date of announcement, and actual results may differ materially from those expressed or implied by such forward-looking statements.