

*[Provisional Translation Only]*

*This English translation of the original Japanese document is provided solely for information purposes.*

*Should there be any discrepancies between this translation and the Japanese original, the latter shall prevail.*

## FY25/3 Q3 Earnings

February 13, 2025

**Japan Display Inc. (JDI)** (Tokyo Stock Exchange Prime Market, 6740)

Representative: Scott Callon, Chairman & CEO

Inquiries: Ken Hirabayashi, CFO

Telephone: +81-3-6732-8100 [www.j-display.com/en/](http://www.j-display.com/en/)

Supplemental Explanatory Materials for Earnings Results: Available

Earnings Results Briefing: February 13, 2025 (for institutional investors and analysts)

### 1. FY25/3 Q3 Consolidated Financial Results (April 1, 2024 to December 31, 2024)

#### (1) Consolidated Financial Results

	Sales (JPY M) YoY	EBITDA (JPY M) YoY	Operating Profit (JPY M) YoY	Recurring Profit (JPY M) YoY	Net Income (JPY M) YoY
FY25/3 Q3	143,460 -20.5%	-20,700 -	-23,735 -	-26,047 -	-48,770 -
FY24/3 Q3	180,374 -13.3%	-22,981 -	-27,664 -	-26,448 -	-37,984 -

EBITDA = Operating Profit + Depreciation + Goodwill amortization

(Reference) Comprehensive Income FY25/3 Q3: JPY -48,522M FY24/3 Q3: JPY -36,881M

	EPS (Basic, JPY)	EPS (Diluted, JPY)
FY25/3 Q3	-7.88	-
FY24/3 Q3	-6.14	-

#### (2) Consolidated Financial Position

	Total Assets (JPY M)	Net Assets (JPY M)	Shareholders' Equity Ratio
FY25/3Q3	176,456	37,139	20.9%
FY24/3	223,989	85,661	38.1%

(Reference) Shareholders' Equity FY25/3 Q3: JPY 36,899M FY24/3: JPY 85,421M

#### (3) Consolidated Cash Flows

	Cash Flows from Operations (JPY M)	Cash Flows from Investments (JPY M)	Cash Flows from Financing (JPY M)	Cash and Cash Equivalents at Period-End (JPY M)
FY25/3 Q3	-19,298	-4,407	18,256	23,753
FY24/3 Q3	-11,235	-11,373	23,487	27,548

## 2. Dividends

	Dividend per Share (JPY)				
	Q1	Q2	Q3	Q4	Total
FY24/3	–	0.00	–	0.00	0.00
FY25/3	–	0.00	–		
FY25/3 (Forecast)				0.00	0.00

- Note
1. Changes from the most recently announced dividend forecast: None
  2. The above shows dividends for common shares. For preferred shares, please see "4. Other Information (5) Dividends for Preferred Shares" below.

## 3. FY25/3 Full-Year (April 1, 2024 to March 31, 2025) Consolidated Earnings Forecast

	Sales (JPY M)	EBITDA (JPY M)	Operating Profit (JPY M)	Recurring Profit (JPY M)	Net Income (JPY M)	EPS (JPY)
FY25/3 Full Year	180,000	-26,400	-31,700	-36,800	-62,068	-10.03
YoY	-24.7%	–	–	–	–	–

Changes from the most recently announced earnings forecast: None

## 4. Other Information

- (1) Significant changes in the scope of consolidation during the period: None
  - Newly included: None
  - Excluded: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatements
  - (i) Accounting policy changes based on amendments to accounting standards: Yes
  - (ii) Accounting policy changes other than (i) above: None
  - (iii) Accounting estimate changes: None
  - (iv) Restatements: None
- (4) Number of shares outstanding
  - (i) Number of shares outstanding (including treasury shares) at period-end
    - FY25/3 Q3: 3,880,393,562
    - FY24/3: 3,880,393,562
  - (ii) Number of treasury shares at period-end
    - FY25/3 Q3: 67
    - FY24/3: 67
  - (iii) Average number of shares outstanding (excluding treasury shares) during the period
    - FY25/3 Q3: 6,188,721,284
    - FY24/3 Q3: 6,188,721,284

Note All preferred shares outstanding have the same rights as common shares with regard to rights to receive dividends, and are therefore included in the number of shares outstanding.

(5) Dividends for Preferred Shares

Class E Preferred Shares	Dividend per Share (JPY)				
	Q1	Q2	Q3	Q4	Total
FY24/3	–	0.00	–	0.00	0.00
FY25/3	–	0.00	–		
FY25/3 (Forecast)			–	0.00	0.00

(6) Note on Appropriate Use of Forecasts

Forward-looking statements contained in these materials are based on judgements regarding information available to JDI as of the announcement date. However, these statements involve risk and uncertainties, and actual earnings may differ significantly from the indicated forecasts.

## 5. Earnings Outlook

JDI has revised down the previous FY25/3 full-year earnings forecast announced on November 13, 2024, due to the recording of an impairment loss and business restructuring expenses in FY25/3 Q3 as announced in its February 13, 2025 release “Recording of Interest Expense, Impairment Loss, and Business Restructuring Expenses, and Downward Revision of Full-Year Earnings Forecast.”

## 6. Consolidated Financial Statements

### Consolidated Balance Sheet (FY25/3 Q3)

	(JPY million)	
	FY24/3 (Mar 31, 2024)	FY25/3 Q3 (Dec 31, 2024)
<b>Assets</b>		
<b>Current Assets</b>		
Cash and deposits	29,338	24,424
Accounts receivable	29,265	21,409
Accounts receivable (EMS)	17,926	9,557
Finished products and goods	16,955	22,716
Products and goods in process	13,298	15,542
Raw materials and supplies	33,697	27,582
Other	11,606	5,491
Allowance for doubtful accounts	-119	-100
<b>Total Current Assets</b>	<b>151,969</b>	<b>126,623</b>
<b>Fixed Assets</b>		
<b>Property, Plant, and Equipment</b>		
Buildings and structures, net	36,883	31,057
Machinery, equipment, and vehicles, net	2,824	2,181
Land	6,509	6,509
Lease assets, net	725	708
Equipment installation and construction in progress	21,310	2,101
Other, net	1,070	936
<b>Total Property, Plant, and Equipment</b>	<b>69,324</b>	<b>43,495</b>
<b>Intangible assets</b>		
Other	1,408	1,213
<b>Total Intangible Assets</b>	<b>1,408</b>	<b>1,213</b>
<b>Investments and Other Assets</b>		
Other	1,291	5,126
Allowance for doubtful accounts	-3	-1
<b>Total Investments and Other Assets</b>	<b>1,287</b>	<b>5,124</b>
<b>Total Fixed Assets</b>	<b>72,020</b>	<b>49,833</b>
<b>Total Assets</b>	<b>223,989</b>	<b>176,456</b>

(JPY million)

	FY24/3 (Mar 31, 2024)	FY25/3 Q3 (Dec 31, 2024)
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	46,003	36,363
Electronically recorded obligations	316	131
Short-term loans payable	33,500	52,000
Income taxes payable	95	142
Provision for bonuses	2,693	1,480
Advances received	3,740	6,738
EMS finished products and goods repurchase commitments	9,862	9,737
Provision for business restructuring	420	2,076
Provision for contract losses	7,839	2,986
Other	24,755	19,219
<b>Total Current Liabilities</b>	<b>129,228</b>	<b>130,876</b>
<b>Fixed Liabilities</b>		
Provision for business restructuring	666	1,101
Defined benefit pension liability	4,185	3,525
Other	4,247	3,814
<b>Total Fixed Liabilities</b>	<b>9,098</b>	<b>8,440</b>
<b>Total Liabilities</b>	<b>138,327</b>	<b>139,317</b>
<b>Net Assets</b>		
<b>Shareholders' Equity</b>		
Capital	100	100
Capital reserve	141,205	141,205
Retained earnings	-66,443	-115,213
Treasury shares	0	0
<b>Total Shareholders' Equity</b>	<b>74,862</b>	<b>26,092</b>
<b>Accumulated Other Comprehensive Income</b>		
Valuation difference on other securities	1	0
Foreign currency translation adjustment	6,564	7,281
Adjusted value of defined benefit pension	3,992	3,524
<b>Total Accumulated Other Comprehensive Income</b>	<b>10,558</b>	<b>10,806</b>
<b>Share Acquisition Rights</b>	<b>240</b>	<b>240</b>
<b>Total Net Assets</b>	<b>85,661</b>	<b>37,139</b>
<b>Total Liabilities &amp; Net Assets</b>	<b>223,989</b>	<b>176,456</b>

## Consolidated Income Statement (FY25/3 Q3)

(JPY million)

	FY24/3 Q3 (Apr 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)
<b>Sales</b>	<b>180,374</b>	<b>143,460</b>
<b>Cost of Goods Sold</b>	<b>187,694</b>	<b>145,814</b>
<b>Gross Profit (Loss)</b>	<b>-7,319</b>	<b>-2,353</b>
<b>SG&amp;A</b>	<b>20,345</b>	<b>21,381</b>
<b>Operating Profit (Loss)</b>	<b>-27,664</b>	<b>-23,735</b>
<b>Non-Operating Income</b>		
Interest income	85	198
Foreign exchange gains	1,092	826
Rental income	349	143
Business services income	2,635	—
Recoveries of written down receivables	—	410
Other	976	669
<b>Total Non-Operating Income</b>	<b>5,139</b>	<b>2,249</b>
<b>Non-Operating Expenses</b>		
Interest expense	731	3,011
Property maintenance expenses	1,925	—
Other	1,266	1,550
<b>Total Non-Operating Expenses</b>	<b>3,923</b>	<b>4,561</b>
<b>Recurring Profit (Loss)</b>	<b>-26,448</b>	<b>-26,047</b>
<b>Extraordinary Income</b>		
Gain on sale of fixed assets	89	1,830
<b>Total Extraordinary Income</b>	<b>89</b>	<b>1,830</b>
<b>Extraordinary Losses</b>		
Impairment loss	10,997	20,899
Decreased securities valuation (venture investment)	—	219
Business restructuring expenses	—	2,405
<b>Total Extraordinary Losses</b>	<b>10,997</b>	<b>23,524</b>
<b>Pre-Tax Income (Loss)</b>	<b>-37,357</b>	<b>-47,741</b>
<b>Income Taxes</b>	<b>626</b>	<b>1,028</b>
<b>Pre-Minority Interest Net Income (Loss)</b>	<b>-37,984</b>	<b>-48,770</b>
<b>Net Income (Loss)</b>	<b>-37,984</b>	<b>-48,770</b>

## Consolidated Income Statement (FY25/3 Q3 Stand-Alone)

(JPY million)

	FY24/3 Q3 (Oct 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Oct 1, 2024 to Dec 31, 2024)
<b>Sales</b>	<b>60,492</b>	<b>40,546</b>
<b>Cost of Goods Sold</b>	<b>59,774</b>	<b>42,198</b>
<b>Gross Profit (Loss)</b>	<b>717</b>	<b>-1,652</b>
<b>SG&amp;A</b>	<b>6,941</b>	<b>6,601</b>
<b>Operating Profit (Loss)</b>	<b>-6,223</b>	<b>-8,253</b>
<b>Non-Operating Income</b>		
Interest income	34	103
Foreign exchange gains	—	877
Rental income	100	47
Income from provision of business services	879	—
Other	391	191
<b>Total Non-Operating Income</b>	<b>1,406</b>	<b>1,219</b>
<b>Non-Operating Expenses</b>		
Interest expenses	470	1,222
Foreign exchange losses	691	—
Property maintenance expenses	618	—
Other	738	459
<b>Total Non-Operating Expenses</b>	<b>2,518</b>	<b>1,682</b>
<b>Recurring Profit (Loss)</b>	<b>-7,335</b>	<b>-8,715</b>
<b>Extraordinary Income</b>		
Gain on sale of fixed assets	—	6
<b>Total Extraordinary Income</b>	<b>—</b>	<b>6</b>
<b>Extraordinary Losses</b>		
Impairment loss	1,812	20,363
Business restructuring expense	—	2,405
<b>Total Extraordinary Losses</b>	<b>1,812</b>	<b>22,769</b>
<b>Pre-Tax Income (Loss)</b>	<b>-9,147</b>	<b>-31,478</b>
<b>Income Taxes</b>	<b>129</b>	<b>469</b>
<b>Pre-Minority Interest Net Income (Loss)</b>	<b>-9,276</b>	<b>-31,948</b>
<b>Net Income (Loss)</b>	<b>-9,276</b>	<b>-31,948</b>

## Consolidated Statement of Comprehensive Income (FY25/3 Q3)

(JPY million)

	FY24/3 Q3 (Apr 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)
<b>Pre-Minority Interest Net Income (Loss)</b>	<b>-37,984</b>	<b>-48,770</b>
<b>Other Comprehensive Income</b>		
Valuation difference on other securities	0	-1
Foreign currency translation adjustment	1,454	717
Adjusted value of defined benefit pension, net of tax	-351	-468
<b>Total Other Comprehensive Income</b>	<b>1,103</b>	<b>248</b>
<b>Comprehensive Income</b>	<b>-36,881</b>	<b>-48,522</b>
of which, Comprehensive Income attributable to owners of the parent	-36,881	-48,522

## Consolidated Cash Flow Statement (FY25/3 Q3)

(JPY million)

	FY24/3 Q3 (Apr 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)
<b>Cash Flows from Operations</b>		
Pre-Tax Income (loss)	-37,357	-47,741
Depreciation	4,677	3,074
Goodwill amortization	68	—
Impairment loss	10,997	20,899
Change in allowance for doubtful accounts	-109	-23
Interest expense	731	3,011
Foreign exchange valuation (negative = gain)	-219	-185
Sale of fixed assets (negative = gain)	-89	-1,830
Business restructuring expenses	—	2,405
Change in trade receivables (negative = increase)	16,971	8,581
Change in inventories (negative = increase)	-1,766	-1,374
Change in trade payables	-3,583	-10,667
Change in other accounts receivable (negative = increase)	2,177	8,420
Change in consumption tax refunds receivable (negative = increase)	422	714
Change in other accounts payable	-837	-1,449
Change in accrued expenses	-946	433
Change in advances received	-690	3,646
Change in benefit pension liability	-539	-1,127
Other	311	-2,541
<b>Subtotal</b>	<b>-9,781</b>	<b>-15,756</b>
Interest and dividends received	88	200
Interest paid	-498	-2,825
Income taxes paid	-1,044	-917
<b>Net Cash from (Used for) Operations</b>	<b>-11,235</b>	<b>-19,298</b>

	(JPY million)	
	FY24/3 Q3 (Apr 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)
<b>Cash Flows from Investments</b>		
Purchase of fixed assets	-10,281	-6,693
Proceeds from sale of fixed assets	199	5,946
Proceeds from sales of investment securities	—	-3,018
Change in time deposits	-99	-57
Payments for business acquisition	-1,000	—
Payments of leasehold and guarantee deposits	-77	-21
Other	-114	-563
<b>Net Cash from (Used for) Investments</b>	<b>-11,373</b>	<b>-4,407</b>
<b>Cash Flows from Financing</b>		
Net change in short-term borrowings	24,000	18,500
Repayments of lease obligations	-486	-243
Other	-26	—
<b>Net Cash from (Used for) Financing</b>	<b>23,487</b>	<b>18,256</b>
<b>Effect of Exchange Rate change on Cash &amp; Cash Equivalents</b>	<b>916</b>	<b>477</b>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>1,794</b>	<b>-4,971</b>
<b>Cash &amp; Cash Equivalents at Beginning of Period</b>	<b>25,754</b>	<b>28,725</b>
<b>Cash &amp; Cash Equivalents at End of Period</b>	<b>27,548</b>	<b>23,753</b>

## Consolidated Cash Flow Statement (FY25/3 Q3 Stand-Alone)

	(JPY million)	
	FY24/3 Q3 (Oct 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Oct 1, 2024 to Dec 31, 2024)
<b>Cash Flows from Operations</b>		
Pre-Tax Income (loss)	-9,147	-31,478
Depreciation	1,361	1,012
Impairment loss	1,812	20,363
Change in allowance for doubtful accounts	3	2
Interest expenses	470	1,222
Foreign exchange valuation (negative = gain)	635	-638
Sale of fixed assets (negative = gain)	—	-6
Business restructuring expenses	—	2,405
Change in trade receivables (negative = increase)	5,324	3,661
Change in inventories (negative = increase)	-253	-3,530
Change in trade payable	-6,679	-551
Change in other accounts receivable (negative = increase)	5,939	2,590
Change in consumption tax refunds receivable (negative = increase)	1,886	185
Change in other accounts payable	-1,310	-46
Change in accrued expenses	-348	-517
Change in advances received	-766	3,121
Change in retirement benefit liability	-182	-344
Other	-1,009	968
<b>Subtotal</b>	<b>-2,264</b>	<b>-1,579</b>
Interest and dividends received	34	103
Interest paid	-317	-1,110
Income taxes paid	-392	-166
<b>Net Cash from (Used for) Operations</b>	<b>-2,939</b>	<b>-2,753</b>

	(JPY million)	
	FY24/3 Q3 (Oct 1, 2023 to Dec 31, 2023)	FY25/3 Q3 (Oct 1, 2024 to Dec 31, 2024)
<b>Cash Flows from Investments</b>		
Purchase of fixed assets	-1,665	-3,475
Proceeds from sales of fixed assets	—	6
Proceeds from sales of investment securities	—	-3,018
Change in time deposits	-20	-75
Payments of leasehold and guarantee deposits	-25	-6
Other	22	1
<b>Net Cash from (Used for) Investments</b>	<b>-1,689</b>	<b>-6,567</b>
<b>Cash Flows from Financing</b>		
Net Change in short-term borrowings	4,000	8,000
Repayments of lease obligations	-113	-39
<b>Net Cash from (Used for) Financing</b>	<b>3,886</b>	<b>7,960</b>
<b>Effect of Exchange Rate change on Cash &amp; Cash Equivalents</b>	<b>-830</b>	<b>1,432</b>
<b>Net Change in Cash &amp; Cash Equivalents</b>	<b>-1,571</b>	<b>71</b>
<b>Cash &amp; Cash Equivalents at Beginning of Period</b>	<b>29,120</b>	<b>23,682</b>
<b>Cash &amp; Cash Equivalents at End of Period</b>	<b>27,548</b>	<b>23,753</b>

## Significant Subsequent Events

### New Loan

Based on a resolution of JDI's Board of Directors on May 13, 2024, JDI has entered into a new loan with Ichigo Trust to secure short-term working capital.

#### Short-Term Loan Agreement (January 30, 2025)

Lender	Ichigo Trust
Loan Amount	JPY 2 billion
Loan Execution Date	January 30, 2025
Repayment Date	April 30, 2025 (early repayment allowed)
Interest Rate	10%
Collateralized	Yes (a subset of JDI intellectual property rights)

### Decision on Production End at Mobara Fab

At its Board of Directors meeting held on February 12, 2025, JDI decided to end production at its Mobara Fab by March 2026.

#### 1. Reason for Production End

JDI has decided to end production at its low-utilization Mobara Fab and allocate its management resources towards nurturing new core businesses and driving a radical improvement in its profitability.

#### 2. Mobara Fab Overview

Name	Mobara Fab (G6)
Location	3300 Hayano, Mobara-shi, Chiba Prefecture
Business	Development, design, and production of LCD and OLED displays
Number of Employees	1,323 (as of January 31, 2025)

#### 3. Business Impact

While JDI will end in-house OLED display production at the Mobara Fab, as part of JDI's fabless eLEAP strategy JDI is currently in discussions with foundry partners to jointly produce eLEAP displays and build a global eLEAP ecosystem. For LCD displays, JDI will consolidate production at its lower-cost Ishikawa Fab to drive higher productivity and increased cost competitiveness, with a focus on leading-edge JDI technologies. JDI plans to turn the Mobara Fab into an AI data center after production ends.

The impact of these measures on JDI's earnings for the current and subsequent fiscal years is currently under detailed examination, and remains undetermined at this time.

## Supplemental Information (Quarterly Consolidated Data)

### (1) Consolidated Earnings

(JPY million)	FY24/3				FY25/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Automotive	29,122	33,955	35,215	34,922	33,646	30,936	28,790	
Smartwatch/VR	15,810	24,289	16,477	16,945	16,378	14,147	11,229	
LCD Smartphone	8,062	8,640	8,799	6,911	5,892	1,912	525	
Sales <sup>1</sup>	52,996	66,886	60,492	58,778	55,917	46,996	40,546	
EBITDA <sup>2</sup>	-12,165	-5,931	-4,884	-5,240	-6,010	-7,436	-7,254	
Operating Profit	-13,883	-7,558	-6,223	-6,481	-7,043	-8,437	-8,253	
Recurring Profit	-12,080	-7,033	-7,335	-6,739	-7,855	-9,476	-8,715	
Net Income	-12,248	-16,459	-9,276	-6,329	-6,504	-10,317	-31,948	
EPS (Basic)	-1.98	-2.66	-1.50	-1.02	-1.05	-1.67	-5.16	
USD/JPY (Avg)	137.5	144.6	147.9	148.6	155.9	149.7	152.4	
USD/JPY (Q-End)	145.0	149.6	141.8	151.4	161.1	142.7	158.2	

<sup>1</sup> To better reflect the nature of our business, JDI changed its business segment names starting from FY24/3 Q2 as follows: “Mobile” to “LCD Smartphone” and “Non-Mobile” to “Smartwatch/VR.” Please note that this is only a name change and does not affect the segment definitions themselves.

<sup>2</sup> EBITDA = Operating Profit + Depreciation + Goodwill amortization

### (2) Financial Position

(JPY million)	FY24/3				FY25/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Assets	223,566	232,252	216,571	223,989	212,016	197,152	176,456	
Liabilities	110,099	134,795	129,020	138,327	131,339	129,841	139,317	
Net Assets	113,466	97,456	87,550	85,661	80,677	67,310	37,139	
Shareholder Equity Ratio	50.6%	41.9%	40.3%	38.1%	37.9%	34.0%	20.9%	
Operating CF	-9,707	1,411	-2,939	-6,340	-116	-16,428	-2,753	
Investing CF	-7,215	-2,468	-1,689	-2,060	3,396	-1,235	-6,567	
Financing CF	11,804	7,795	3,886	9,414	-148	10,445	7,960	
Ending Cash Bal.	21,887	29,120	27,548	28,725	33,258	23,682	23,753	
Free Cash Flow	-16,707	-204	-4,605	-8,152	-1,987	-17,775	-6,229	

### (3) R&D, Capex, & Depreciation

(JPY million)	FY24/3				FY25/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
R&D	2,364	2,684	3,017	3,407	2,998	3,042	3,061	
Capex	7,200	10,031	3,087	1,445	770	1,207	444	
Depreciation	1,736	1,648	1,361	1,263	1,046	1,014	1,012	