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FY26/3 Q3 Earnings

February 12, 2026

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

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Supplemental Explanatory Materials for Earnings Results: Available

Earnings Results Briefing: February 12, 2026

(for institutional investors and analysts - Japanese only)

1. FY26/3 Q3 Consolidated Financial Results (April 1, 2025 to December 31, 2025)

(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
FY26/3 Q3	97,276 -32.2%	-15,699 -	-18,730 -	-25,030 -	-14,533 -
FY25/3 Q3	143,460 -20.5%	-20,700 -	-23,735 -	-26,047 -	-48,770 -

EBITDA = Operating Profit + Depreciation

(Reference) Comprehensive Income FY26/3 Q3: JPY -12,787M FY25/3 Q3: JPY -48,522M

	EPS (Basic, JPY)	EPS (Diluted, JPY)
FY26/3 Q3	-2.35	-
FY25/3 Q3	-7.88	-

(2) Consolidated Financial Position

	Total Assets (JPY M)	Net Assets (JPY M)	Shareholders' Equity Ratio
FY26/3 Q3	138,560	-6,031	-4.4%
FY25/3	148,031	6,890	4.5%

(Reference) Shareholders' Equity FY26/3 Q3: JPY -6,137M FY25/3: JPY 6,649M

(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)
FY26/3 Q3	-19,140	22,652	5,074	30,888
FY25/3 Q3	-19,298	-4,407	18,256	23,753

2. Dividends

	Dividend per Share (JPY)				
	Q1	Q2	Q3	Q4	Total
FY25/3	–	0.00	–	0.00	0.00
FY26/3	–	0.00	–		
FY26/3 (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. FY26/3 Consolidated Earnings Forecast

JDI is currently taking a number of actions to grow its earnings and strengthen its financial position. As financial results may vary depending on the terms of the agreement related to the sale of the Mobara Fab, JDI is not disclosing FY26/3 consolidated earnings forecast at this time.

For more information, please see "5. Earnings Outlook" on page 3.

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 semi-annual 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: None
 - (ii) Accounting policy changes other than (i) above: None
 - (iii) Accounting estimate changes: Yes
 - (iv) Restatements: None
- (4) Number of shares outstanding
 - (i) Number of shares outstanding (including treasury shares) at period-end
 - FY26/3 Q3: 3,880,393,562
 - FY25/3: 3,880,393,562
 - (ii) Number of treasury shares at period-end
 - FY26/3 Q3: 67
 - FY25/3: 67
 - (iii) Average number of shares outstanding (excluding treasury shares) during the period
 - FY26/3 Q3: 6,188,721,284
 - FY25/3 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
FY25/3	–	0.00	–	0.00	0.00
FY26/3	–	0.00	–		
FY26/3 (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 continues to advance its structural reforms to accelerate its earnings recovery and strengthen its financial base. JDI is progressing the optimization of its workforce structure following the voluntary retirement program announced in May 2025. In addition, the end of production in November 2025 at the Mobara Fab, which had a significant fixed-cost burden, will generate material cost reductions, including reductions in fixed costs, going forward.

JDI is also engaged in discussions with potential buyers to pursue a sale of the Mobara Fab. This will not only improve JDI's financial health, but also reduce interest payments through the repayment of borrowings.

JDI is not disclosing FY26/3 consolidated earnings forecast at this time, as financial results may vary depending on the terms of the agreement related to the sale of the Mobara Fab. JDI remains committed to executing its business model transformation and transitioning to a management structure aligned with its business scale, with the goal of delivering operating profitability from FY27/3.

6. Consolidated Financial Statements

(1) Consolidated Balance Sheet (FY26/3 Q3)

(JPY million)

	FY25/3 (Mar 31, 2025)	FY26/3 Q3 (Dec 31, 2025)
Assets		
Current Assets		
Cash and deposits	21,073	31,444
Accounts receivable – trade	22,800	13,407
Accounts receivable – other	7,379	9,581
Finished products and goods	14,025	12,168
Work in process	11,465	11,119
Raw materials and supplies	18,584	12,987
Other	4,916	3,625
Allowance for doubtful accounts	-90	-149
Total Current Assets	100,156	94,183
Non-Current Assets		
Property, Plant, and Equipment		
Buildings and structures, net	30,491	29,021
Machinery, equipment, and vehicles, net	1,845	1,211
Land	6,509	6,509
Lease assets, net	693	478
Construction in progress	1,523	1,087
Other, net	938	802
Total Property, Plant, and Equipment	42,001	39,112
Intangible Assets		
Other	1,190	335
Total Intangible Assets	1,190	335
Investments and Other Assets		
Securities investments	3,110	3,357
Other	1,573	1,573
Allowance for doubtful accounts	-1	-1
Total Investments and Other Assets	4,682	4,929
Total Non-Current Assets	47,875	44,376
Total Assets	148,031	138,560

(JPY million)

	FY25/3 (Mar31,2025)	FY26/3 Q3 (Dec 31, 2025)
Liabilities		
Current Liabilities		
Accounts payable	28,160	23,548
Short-term loans payable	59,500	65,000
Accounts payable - other	7,109	8,169
Income tax payable	77	107
EMS finished products and goods repurchase commitments	8,290	7,990
Provision for bonuses	1,392	715
Advances received	7,176	14,364
Provision for business restructuring	3,451	11,620
Provision for contract losses	3,273	3,146
Other	6,416	4,469
Total Current Liabilities	124,850	139,133
Fixed Liabilities		
Long-term income tax payable	11	—
Provision for business restructuring	10,351	2,643
Defined benefit pension liability	2,244	105
Other	3,683	2,890
Total Fixed Liabilities	16,291	5,458
Total Liabilities	141,141	144,592
Net Assets		
Shareholders' Equity		
Capital	100	100
Capital reserve	141,205	141,205
Retained earnings	-144,664	-159,198
Treasury shares	0	0
Total Shareholders' Equity	-3,358	-17,892
Accumulated Other Comprehensive Income		
Valuation difference on other securities	—	0
Foreign currency translation adjustment	5,948	8,499
Adjusted value of defined benefit pension	4,059	3,254
Total Accumulated Other Comprehensive Income	10,008	11,754
Stock Acquisition Rights	240	105
Total Net Assets	6,890	-6,031
Total Liabilities & Net Assets	148,031	138,560

(2) Consolidated Income Statement (FY26/3 Q3)

	(JPY million)	
	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)	FY26/3 Q3 (Apr 1, 2025 to Dec 31, 2025)
Sales	143,460	97,276
Cost of Goods Sold	145,814	99,686
Gross Profit (Loss)	-2,353	-2,409
SG&A	21,381	16,320
Operating Profit (Loss)	-23,735	-18,730
Non-Operating Income		
Interest income	198	132
Foreign exchange gains	826	—
Rental income	143	102
Business services income	—	251
Recoveries of written down receivables	410	—
Gain on sale of raw materials	109	370
Other	560	549
Total Non-Operating Income	2,249	1,405
Non-Operating Expenses		
Interest expense	3,011	6,322
Foreign exchange losses	—	155
Other	1,550	1,228
Total Non-Operating Expenses	4,561	7,706
Recurring Profit (Loss)	-26,047	-25,030
Extraordinary Income		
Gain on sale of fixed assets	1,830	24
Gain on sale of subsidiary shares	—	18,533
Gain on termination of retirement benefit plan	—	2,752
Gain on reversal of stock acquisition rights	—	234
Other	—	1,708
Total Extraordinary Income	1,830	23,254
Extraordinary Losses		
Impairment loss	20,899	744
Decreased securities valuation (venture investment)	219	15
Business restructuring expenses	2,405	11,275
Total Extraordinary Losses	23,524	12,035
Pre-Tax Income (Loss)	-47,741	-13,811
Income Taxes	1,028	721
Pre-Minority Interest Net Income (Loss)	-48,770	-14,533
Net Income (Loss)	-48,770	-14,533

Consolidated Statement of Comprehensive Income (FY26/3 Q3)

(JPY million)

	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)	FY26/3 Q3 (Apr 1, 2025 to Dec 31, 2025)
Net Income (Loss)	-48,770	-14,533
Other Comprehensive Income		
Valuation difference on other securities	-1	0
Foreign currency translation adjustment	717	2,551
Adjusted value of defined benefit pension, net of tax	-468	-805
Total Other Comprehensive Income	248	1,746
Comprehensive Income	-48,522	-12,787
of which, Comprehensive Income attributable to owners of the parent	-48,522	-12,787

(3) Consolidated Cash Flow Statement (FY26/3 Q3)

(JPY million)

	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)	FY26/3 Q3 (Apr 1, 2025 to Dec 31, 2025)
Cash Flows from Operations		
Pre-Tax Income (loss)	-47,741	-13,811
Depreciation	3,074	3,058
Impairment loss	20,899	744
Change in allowance for doubtful accounts	-23	44
Interest expense	3,011	6,322
Foreign exchange valuation (negative = gain)	-185	-648
Sale of fixed assets (negative = gain)	-1,830	-24
Sale of subsidiary shares (negative = gain)	—	-18,533
Gain on termination of retirement benefit plan	—	-2,752
Gain on reversal of stock acquisition rights	—	-234
Business restructuring expenses	2,405	11,275
Change in trade receivables (negative = increase)	8,581	10,439
Change in inventories (negative = increase)	-1,374	8,460
Change in trade payables	-10,667	-5,146
Change in other accounts receivable (negative = increase)	8,420	-2,140
Change in consumption tax refunds receivable (negative = increase)	714	1,281
Change in other accounts payable	-1,449	-2,708
Change in accrued expenses	433	-1,700
Change in advances received	3,646	3,298
Change in benefit pension liability	-1,127	-192
Other	-2,541	-4,111
Subtotal	-15,756	-7,081
Interest and dividends received	200	136
Interest paid	-2,825	-5,890
Income taxes paid	-917	-0
Additional retirement payments	—	-4,727
Business restructuring expenses paid	—	-1,577
Net Cash from (Used for) Operations	-19,298	-19,140

(JPY million)

	FY25/3 Q3 (Apr 1, 2024 to Dec 31, 2024)	FY26/3 Q3 (Apr 1, 2025 to Dec 31, 2025)
Cash Flows from Investments		
Purchase of fixed assets	-6,693	-484
Proceeds from sale of fixed assets	5,946	29
Advance proceeds from sale of fixed assets	—	3,816
Purchase of investment securities	-3,018	-40
Change in time deposits	-57	84
Proceeds from sale of subsidiaries shares	—	20,000
Payments of leasehold and guarantee deposits	-21	-80
Other	-563	-672
Net Cash from (Used for) Investments	-4,407	22,652
Cash Flows from Financing		
Net change in short-term borrowings	18,500	5,500
Repayments of lease obligations	-243	-525
Proceeds from issuance of stock acquisition rights	—	100
Net Cash from (Used for) Financing	18,256	5,074
Effect of Exchange Rate change on Cash & Cash Equivalents	477	1,868
Net Change in Cash & Cash Equivalents	-4,971	10,455
Cash & Cash Equivalents at Beginning of Period	28,725	20,432
Cash & Cash Equivalents at End of Period	23,753	30,888

Supplemental Information (Quarterly Consolidated Data)

(1) Consolidated Earnings

(JPY million)	FY25/3				FY26/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Consumer/Industrial	22,270	16,059	11,755	12,068	6,278	7,219	4,960	
Automotive	33,646	30,936	28,790	32,483	26,164	26,768	25,885	
Sales ¹	55,917	46,996	40,546	44,552	32,443	33,987	30,846	
EBITDA ²	-6,010	-7,436	-7,254	-12,347	-8,088	-4,272	-3,338	
Operating Profit	-7,043	-8,437	-8,253	-13,333	-9,154	-5,278	-4,297	
Recurring Profit	-7,855	-9,476	-8,715	-14,368	-11,986	-7,114	-5,929	
Net Income	-6,504	-10,317	-31,948	-29,450	-20,256	8,893	-3,169	
EPS (Basic)	-1.05	-1.67	-5.16	-4.76	-3.27	1.44	-0.51	
USD/JPY (Avg)	155.9	149.7	152.4	152.6	144.6	147.5	154.1	
USD/JPY (Q-End)	161.1	142.7	158.2	149.5	144.8	148.9	156.6	

¹ From FY26/3 Q1, JDI reclassified its sales categories by merging “Smartwatch/VR” and “LCD Smartphone” into “Consumer/Industrial,” reflecting the LCD smartphone business downsizing. Figures for FY25/3 have also been reclassified accordingly for comparison purposes.

² EBITDA = Operating Profit + Depreciation

(2) Financial Position

(JPY million)	FY25/3				FY26/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Assets	212,016	197,152	176,456	148,031	141,390	149,426	138,560	
Liabilities	131,339	129,841	139,317	141,141	154,353	153,491	144,592	
Net Assets	80,677	67,310	37,139	6,890	-12,962	-4,065	-6,031	
Shareholder Equity Ratio	37.9%	34.0%	20.9%	4.5%	-9.3%	-2.8%	-4.4%	
Operating CF	-116	-16,428	-2,753	-6,151	-9,982	-2,818	-6,399	
Investing CF	3,396	-1,235	-6,567	-3,754	11,792	10,385	474	
Financing CF	-148	10,445	7,960	7,437	5,448	-73	-300	
Ending Cash Bal.	33,258	23,682	23,753	20,432	27,654	35,720	30,888	
Free Cash Flow	-1,987	-17,775	-6,229	-9,973	-10,097	-2,908	-6,617	

(3) R&D & Depreciation

(JPY million)	FY25/3				FY26/3			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
R&D	2,998	3,249	3,061	2,308	2,083	1,883	1,481	
Depreciation	1,046	1,014	1,012	995	1,072	1,018	968	