

Notice Concerning the Borrowing of Funds

In the April 18, 2019 announcement released by Japan Display Inc. ("JDI") titled "Notice Concerning the Borrowing of Funds", it was stated that it was possible for JDI to enter into an additional bridge loan agreement with INCJ, Ltd. ("INCJ"). Today, JDI is announcing that it has concluded a new short-term loan agreement with INCJ and that it has decided to make a borrowing (the "Borrowing") as below.

1. Reason for Borrowing the Funds

As stated in the press release announced on April 12, 2019, titled "Notice Concerning Conclusion of the Capital and Business Alliance Agreement, the Business Alliance Basic Agreement, and the Business Alliance MOU, Issuance of New Shares and Bonds with Stock Acquisition Rights through Third-party Allotment, a Change in the Parent Company and the Largest Major Shareholder and Amendment of the Articles of Incorporation", the Borrowing was supposed to be made for JDI to secure the funds necessary to continue its business until it receives payment of a third-party allotment that was also announced on April 12, 2019 (the "Third-party Allotment"). This time, INCJ and JDI have agreed to set the repayment due date to the first anniversary of the date of the Borrowing to support a stable transition to a new management structure which will be launched after the Third Party Allotment.

Together with the borrowing of 20 billion yen executed on April 19, 2019, the total amount of the funds borrowed based on the bridge loan agreement and the short-term loan agreement with INCJ after the Borrowing will be 40 billion yen.

2. Summary of Borrowing

Lender	INCJ, Ltd. Address: 1-4-1 Marunouchi, Chiyoda-ku Tokyo Representative Director and Chairman: Toshiyuki Shiga Representative Director and President: Mikihide Katsumata
Borrowing amount	20 billion yen
Borrowing interest rate	TIBOR plus spread (fixed-rate interest)
Borrowing execution date	August 8, 2019
Repayment due date	August 8, 2020 (prepayment before maturity is permissible)
Security	The Borrowing is secured.

Note: As of August 7, 2019, INCJ is the largest shareholder of JDI, and one director from INCJ sits on JDI's board of directors.

3. Outlook

The impact of the Borrowing on JDI's financial results is expected to be immaterial.

In the event that JDI needs to secure the additional funds necessary to continue its business before the payment of the Third-party Allotment, it is possible for JDI to enter into an additional short-term loan agreement with INCJ. If JDI actually concludes such additional short-term loan agreement with INCJ, that information will be disclosed immediately after conclusion.

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