

[English Translation]

### **Addendum of Financial Results Announcement for the First Quarter of FY 2019**

Japan Display Inc. ("JDI") disclosed in its financial report "Consolidated Financial Results for the Three Months of Fiscal Year 2019" dated August 9, 2019, net loss attributable to owners of the parent of 83.3 billion yen was recorded mainly due to business restructuring expense of 51.7 billion yen. As a result, JDI's liabilities exceeded assets by 77.2 billion yen at the end of the first quarter of FY 2019 (June end). We sincerely apologize all of stakeholders and relevant parties to which this may cause any inconvenient.

Given above financial results announcement, medias have reported about the concern of JDI's recovery. However, while assuming this situation in advance, JDI has been proceeding the discussions regarding the capital injections from Suwa Investment Holdings, LLC ("Suwa") and the refinancing from INCJ respectively. The discussions are well proceeding among parties with a little delay. JDI expects the capital deficit will be reversed by such capital injection and refinancing in the third quarter of FY 2019. (Shareholders' equity will be 87.4 billion yen assuming to implement such capital injections and refinancing as of the end of the first quarter of FY 2019.). Also, there is no issues in cash flow situation since the supports by INCJ & banks are solid and firm.

In addition, above business restructuring expenses were aligned with the previous statement of "impairment losses of 40 to 50 billion yen on the Hakusan Plant assets may be recorded as an extraordinary loss in FY 2019, depending on future customer demand behavior" in the press release titled "Notice Concerning Implementation of Structural Reforms through Downsizing of Mobile Business, Employee Reduction, Reduction of Executive Compensation, etc., and Renovation of Executive Officer Structure" dated June 12, 2019. JDI expects annual fixed cost reduction of approximately 50 billion yen by implementing structural reforms including impairment of Hakusan Plant assets.

In the press release made by Suwa dated August 9, 2019 titled "Announcement Regarding Suwa Investment Holdings' Amended and Restated Capital and Business Alliance with Japan Display Inc." Suwa comments as follows:

" (Excerpt) Suwa is firmly committed to a partnership with JDI's key stakeholders and existing shareholders and lenders to transition JDI to a new period of long-term growth. Over the past several months we have worked tirelessly with JDI stakeholders to lay new foundations for long-term sustainability. As disclosed previously by JDI, the balance sheet will be fundamentally reconstructed upon closing."

JDI will proceed discussions with relevant parties in order to complete the capital injection by Suwa and will fix proposals to be submitted to the extraordinary general meeting of shareholders scheduled to be held on September 27, 2019, including appointment of director candidates post closing of the capital injection by late August.,

In terms of the business circumstances JDI expects demand increase of new mobile products and start mass production of our first OLED displays of the non-mobile business category. Furthermore, new sensor business leveraged by JDI's LTPS backplane technology becomes much active. Thus, JDI expects utilization rate of its domestic plants except for Hakusan Plant will improve towards the second half of the FY 2019.

JDI plans to return to health in financials by both implementation of structural reforms and realization of capital and business alliance with Suwa at the same time and return to profitability in the second half of FY 2019. JDI will immediately keep you updated if any progress.

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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.