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FY25/3 Earnings

May 15, 2025

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

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Annual General Meeting of Shareholders: June 21, 2025 (Scheduled)

Filing of FY25/3 Securities Report: June 20, 2025 (Scheduled)

Supplemental Explanatory Materials for Earnings Results: Available

Earnings Results Briefing: May 15, 2025 (for institutional investors and analysts)

1. FY25/3 Consolidated Financial Results (April 1, 2024 to March 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
FY25/3	188,012 -21.4%	-33,048 –	-37,068 –	-40,415 –	-78,220 –
FY24/3	239,153 -11.7%	-28,221 –	-34,145 –	-33,188 –	-44,313 –

EBITDA = Operating Profit + Depreciation + Goodwill amortization

(Reference) Comprehensive Income FY25/3: JPY -78,771M FY24/3: JPY -38,769M

	EPS (Basic, JPY)	EPS (Diluted, JPY)	Return on Equity	Return on Assets (Recurring Profit)	Operating Profit Margin
FY25/3	-12.64	–	-169.9%	-21.7%	-19.7%
FY24/3	-7.16	–	-42.3%	-14.9%	-14.3%

(2) Consolidated Financial Position

	Total Assets (JPY M)	Net Assets (JPY M)	Shareholders' Equity Ratio	Net Assets per Share (JPY)
FY25/3	148,031	6,890	4.5%	-7.88
FY24/3	223,989	85,661	38.1%	4.85

(Reference) Shareholders' Equity FY25/3: JPY 6,649M 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	-25,450	-8,161	25,693	20,432
FY24/3	-17,576	-13,433	32,901	28,725

2. Dividends

	Dividend per Share (JPY)					Total Dividend (JPY)	Payout Ratio	Dividend on Equity (DOE)
	Q1	Q2	Q3	Q4	Total			
FY24/3	—	0.00	—	0.00	0.00	—	—	—
FY25/3	—	0.00	—	0.00	0.00	—	—	—
FY26/3 (Forecast)	—	0.00	—	0.00	0.00		—	

Note The above shows dividends for common shares. For preferred shares, please see "4. Other Information (4) 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 the timing and specific details of these actions are anticipated to significantly influence this year's performance, JDI is not disclosing a FY26/3 consolidated earnings forecast at this time. JDI will promptly disclose the forecast as soon as the outcomes from these actions become disclosable.

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) 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

(3) Number of shares outstanding

- (i) Number of shares outstanding (including treasury shares) at period-end
 - FY25/3: 3,880,393,562
 - FY24/3: 3,880,393,562
- (ii) Number of treasury shares at period-end
 - FY25/3: 67
 - FY24/3: 67
- (iii) Average number of shares outstanding (excluding treasury shares) during the period
 - FY25/3: 6,188,721,284
 - FY24/3: 6,188,721,284

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

(4) 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	—	0.00	0.00
FY26/3 (Forecast)	—	0.00	—	0.00	0.00

(5) 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

To drive earnings growth and strengthen its financial position, JDI is working to further reduce costs by ending production at its Mobara Fab by March 2026 and consolidating production at its lower-cost Ishikawa Fab. Additionally, with its BEYOND DISPLAY growth strategy announced in November 2024, JDI is executing a significant transformation in its business model, earnings structure, and profitability.

As the timing and specific details of these actions are anticipated to significantly influence this year's performance, JDI is not disclosing a FY26/3 consolidated earnings forecast at this time. JDI will promptly disclose the forecast as soon as there is heightened visibility on the details of these actions' earnings outcomes this year.

Please refer to today's announcements "MOU with Ichigo Trust to Strengthen JDI Financial Position," "Establishment of New AutoTech Subsidiary," and "JDI Voluntary Retirement Program and Workforce Reduction."

JDI will continue to drive its business transformation and execution of its BEYOND DISPLAY growth strategy, and expects to achieve a positive consolidated operating profit from FY27/3.

6. Consolidated Financial Statements

(1) Consolidated Balance Sheet (FY25/3)

	(JPY million)	
	FY24/3 (Mar 31, 2024)	FY25/3 (Mar 31, 2025)
Assets		
Current Assets		
Cash and deposits	29,338	21,073
Accounts receivable – trade	29,265	22,800
Accounts receivable – other	17,926	7,379
Finished products and goods	16,955	14,025
Work in process	13,298	11,465
Raw materials and supplies	33,697	18,584
Other	11,606	4,916
Allowance for doubtful accounts	-119	-90
Total Current Assets	151,969	100,156
Non-Current Assets		
Property, Plant, and Equipment		
Buildings and structures	120,554	95,968
Depreciation	-83,670	-65,477
Buildings and structures, net	36,883	30,491
Machinery, equipment, and vehicles	234,532	209,565
Depreciation	-231,708	-207,719
Machinery, equipment, and vehicles, net	2,824	1,845
Land	6,509	6,509
Lease assets	1,831	1,725
Depreciation	-1,106	-1,032
Lease assets, net	725	693
Construction in progress	21,310	1,523
Other	20,668	17,911
Depreciation	-19,598	-16,973
Other, net	1,070	938
Total Property, Plant, and Equipment	69,324	42,001
Intangible assets		
Other	1,408	1,190
Total Intangible Assets	1,408	1,190
Investments and Other Assets		
Securities investments	349	3,110
Deferred tax assets	518	525
Other	422	1,048
Allowance for doubtful accounts	-3	-1
Total Investments and Other Assets	1,287	4,682
Total Non-Current Assets	72,020	47,875
Total Assets	223,989	148,031

(JPY million)

	FY24/3 (Mar 31, 2024)	FY25/3 (Mar 31, 2025)
<u>Liabilities</u>		
Current Liabilities		
Accounts payable	46,003	28,160
Short-term loans payable	33,500	59,500
Accounts payable - other	18,083	7,109
Income taxes payable	95	77
EMS finished products and goods repurchase commitments	9,862	8,290
Provision for bonuses	2,693	1,392
Advances received	3,740	7,176
Provision for business restructuring	420	3,451
Provision for contract losses	7,839	3,273
Other	6,989	6,416
Total Current Liabilities	129,228	124,850
Fixed Liabilities		
Long-term corporate tax payable	—	11
Provision for business restructuring	666	10,351
Defined benefit pension liability	4,185	2,244
Other	4,247	3,683
Total Fixed Liabilities	9,098	16,291
Total Liabilities	138,327	141,141
<u>Net Assets</u>		
Shareholders' Equity		
Capital	100	100
Capital reserve	141,205	141,205
Retained earnings	-66,443	-144,664
Treasury shares	0	0
Total Shareholders' Equity	74,862	-3,358
Accumulated Other Comprehensive Income		
Valuation difference on other securities	1	—
Foreign currency translation adjustment	6,564	5,948
Adjusted value of defined benefit pension	3,992	4,059
Total Accumulated Other Comprehensive Income	10,558	10,008
Share Acquisition Rights	240	240
Total Net Assets	85,661	6,890
Total Liabilities & Net Assets	223,989	148,031

(2) Consolidated Income Statement (FY25/3)

	(JPY million)	
	FY24/3 (Apr 1, 2023 to Mar 31, 2024)	FY25/3 (Apr 1, 2024 to Mar 31, 2025)
Sales	239,153	188,012
Cost of Goods Sold	245,645	197,663
Gross Profit (Loss)	-6,492	-9,651
SG&A	27,653	27,416
Operating Profit (Loss)	-34,145	-37,068
Non-Operating Income		
Interest income	99	223
Foreign exchange gains	1,723	1,027
Business services income	3,514	—
Rental income	408	191
Subsidy income	151	125
Recoveries of written down receivables	—	410
Other	1,029	761
Total Non-Operating Income	6,926	2,738
Non-Operating Expenses		
Interest expense	1,400	4,409
Share issuance cost	26	—
Depreciation	84	49
Property maintenance expenses	2,574	—
Other	1,883	1,626
Total Non-Operating Expenses	5,969	6,086
Recurring Profit (Loss)	-33,188	-40,415
Extraordinary Income		
Gain on sale of fixed assets	92	1,830
Reversal of business restructuring expenses	417	—
Total Extraordinary Income	510	1,830
Extraordinary Losses		
Impairment loss	11,115	21,563
Decreased securities valuation (venture investment)	—	219
Business restructuring expenses	—	16,693
Total Extraordinary Losses	11,115	38,477
Pre-Tax Income (Loss)	-43,793	-77,062
Income Taxes	518	962
Income Taxes - Deferred	1	195
Total Income Taxes	519	1,158
Pre-Minority Interest Net Income (Loss)	-44,313	-78,220
Net Income (Loss)	-44,313	-78,220

Consolidated Statement of Comprehensive Income (FY25/3)

	(JPY million)	
	FY24/3 (Apr 1, 2023 to Mar 31, 2024)	FY25/3 (Apr 1, 2024 to Mar 31, 2025)
Net Income (Loss)	-44,313	-78,220
Other Comprehensive Income		
Valuation difference on other securities	0	-1
Foreign currency translation adjustment	2,662	-616
Adjusted value of defined benefit pension, net of tax	2,880	67
Total Other Comprehensive Income	5,543	-550
Comprehensive Income	-38,769	-78,771
of which, Comprehensive Income attributable to owners of the parent	-38,769	-78,771

(3) Consolidated Statement of Changes in Shareholders' Equity**FY24/3 (April 1, 2023 to March 31, 2024)****(JPY million)**

	Shareholders' Equity				
	Capital	Capital Reserve	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance as of Apr 1, 2023	100	141,205	-22,129	-0	119,175
Changes in the Current Period					
Net Income (Loss)			-44,313		-44,313
Changes in Items Other than Shareholders' Equity					
Total Changes	—	—	-44,313	—	-44,313
Balance as of Mar 31, 2024	100	141,205	-66,443	-0	74,862

	Other Comprehensive Income				Stock Option	Total Net Assets
	Valuation Gain (Loss) on Other Securities	Foreign Currency Translation Adjustment	Remeasurement of Defined Benefit Plans	Total Other Comprehensive Income		
Balance as of Apr 1, 2023	0	3,901	1,112	5,014	240	124,431
Changes in the Current Period						
Net Income (Loss)						-44,313
Changes in Items other than Shareholders' Equity	0	2,662	2,880	5,543	—	5,543
Total Changes	0	2,662	2,880	5,543	—	-38,769
Balance as of Mar 31, 2024	1	6,564	3,992	10,558	240	85,661

FY25/3 (April 1, 2024 to March 31, 2025)

(JPY million)

	Shareholders' Equity				
	Capital	Capital Reserve	Retained Earnings	Treasury Shares	Total Shareholders' Equity
Balance as of Apr 1, 2024	100	141,205	-66,443	-0	74,862
Changes in the Current Period					
Net Income (Loss)			-78,220		-78,220
Changes in Items Other than Shareholders' Equity					
Total Changes	—	—	-78,220	—	-78,220
Balance as of Mar 31, 2025	100	141,205	-144,664	-0	-3,358

	Other Comprehensive Income				Stock Option	Total Net Assets
	Valuation Gain (Loss) on Other Securities	Foreign Currency Translation Adjustment	Remeasurement of Defined Benefit Plans	Total Other Comprehensive Income		
Balance as of Apr 1, 2024	1	6,564	3,992	10,558	240	85,661
Changes in the Current Period						
Net Income (Loss)						-78,220
Changes in Items other than Shareholders' Equity	-1	-616	67	-550	—	-550
Total Changes	-1	-616	67	-550	—	-78,771
Balance as of Mar 31, 2025	—	5,948	4,059	10,008	240	6,890

(4) Consolidated Cash Flow Statement (FY25/3)

(JPY million)

	FY24/3 (Apr 1, 2023 to Mar 31, 2024)	FY25/3 (Apr 1, 2024 to Mar 31, 2025)
Cash Flows from Operations		
Pre-Tax Income (loss)	-43,793	-77,062
Depreciation	5,940	4,069
Goodwill amortization	68	—
Impairment loss	11,115	21,563
Change in allowance for doubtful accounts	-148	-30
Change in benefit pension liability	-1,147	-1,873
Interest expense	1,400	4,409
Foreign exchange valuation (negative = gain)	-6	55
Subsidy income	-151	-125
Sale of fixed assets (negative = gain)	-92	-1,830
Reversal of business restructuring expenses	-417	—
Business restructuring expenses	—	16,693
Change in trade receivables (negative = increase)	15,561	6,291
Change in inventories (negative = increase)	-1,913	16,292
Change in trade payables	-3,053	-17,883
Change in other accounts receivable (negative = increase)	566	10,564
Change in consumption tax refunds receivable (negative = increase)	-119	1,224
Change in other accounts payable	-651	-1,522
Change in accrued expenses	-719	-789
Change in advances received	511	4,091
Other	1,094	-4,377
Subtotal	-15,957	-20,238
Interest and dividends received	99	223
Interest paid	-1,070	-4,162
Income taxes paid	-647	-1,273
Net Cash from (Used for) Operations	-17,576	-25,450

	(JPY million)	
	FY24/3 (Apr 1, 2023 to Mar 31, 2024)	FY25/3 (Apr 1, 2024 to Mar 31, 2025)
Cash Flows from Investments		
Purchase of fixed assets	-12,093	-10,514
Proceeds from sale of fixed assets	204	5,946
Proceeds from sales of investment securities	-99	-3,018
Change in time deposits	-146	-27
Payments for business acquisition	-1,000	—
Payments of leasehold and guarantee deposits	-80	-22
Other	-217	-525
Net Cash from (Used for) Investments	-13,433	-8,161
Cash Flows from Financing		
Net change in short-term borrowings	33,500	26,000
Repayments of lease obligations	-571	-306
Other	-26	—
Net Cash from (Used for) Financing	32,901	25,693
Effect of Exchange Rate change on Cash & Cash Equivalents	1,079	-374
Net Change in Cash & Cash Equivalents	2,971	-8,292
Cash & Cash Equivalents at Beginning of Period	25,754	28,725
Cash & Cash Equivalents at End of Period	28,725	20,432

(5) Significant Subsequent Events

New Loan

Based on a resolution of JDI's Board of Directors on March 13, 2025, JDI has entered into a new loan with Ichigo Trust to secure short-term working capital.

Short-Term Loan Agreement (April 28, 2025)

Lender	Ichigo Trust
Loan Amount	JPY 5.5 billion
Loan Execution Date	April 28, 2025
Repayment Date	July 31, 2025 (early repayment allowed)
Interest Rate	12%
Collateralized	Yes (a subset of JDI intellectual property rights)

New Subsidiary Establishment

Please refer to today's release "Establishment of New AutoTech Subsidiary."

Workforce Reduction

Please refer to today's release "JDI Voluntary Retirement Program and Workforce Reduction."

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	32,483
	Smartwatch/VR	15,810	24,289	16,477	16,945	16,378	14,147	11,229	11,810
	LCD Smartphone	8,062	8,640	8,799	6,911	5,892	1,912	525	258
Sales ¹		52,996	66,886	60,492	58,778	55,917	46,996	40,546	44,552
EBITDA ²		-12,165	-5,931	-4,884	-5,240	-6,010	-7,436	-7,254	-12,347
Operating Profit		-13,883	-7,558	-6,223	-6,481	-7,043	-8,437	-8,253	-13,333
Recurring Profit		-12,080	-7,033	-7,335	-6,739	-7,855	-9,476	-8,715	-14,368
Net Income		-12,248	-16,459	-9,276	-6,329	-6,504	-10,317	-31,948	-29,450
EPS (Basic)		-1.98	-2.66	-1.50	-1.02	-1.05	-1.67	-5.16	-4.76
USD/JPY (Avg)		137.5	144.6	147.9	148.6	155.9	149.7	152.4	152.6
USD/JPY (Q-End)		145.0	149.6	141.8	151.4	161.1	142.7	158.2	149.5

¹ 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.

² 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	148,031
Liabilities		110,099	134,795	129,020	138,327	131,339	129,841	139,317	141,141
Net Assets		113,466	97,456	87,550	85,661	80,677	67,310	37,139	6,890
Shareholder Equity Ratio		50.6%	41.9%	40.3%	38.1%	37.9%	34.0%	20.9%	4.5%
Operating CF		-9,707	1,411	-2,939	-6,340	-116	-16,428	-2,753	-6,151
Investing CF		-7,215	-2,468	-1,689	-2,060	3,396	-1,235	-6,567	-3,754
Financing CF		11,804	7,795	3,886	9,414	-148	10,445	7,960	7,437
Ending Cash Bal.		21,887	29,120	27,548	28,725	33,258	23,682	23,753	20,432
Free Cash Flow		-16,707	-204	-4,605	-8,152	-1,987	-17,775	-6,229	-9,973

(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	3,249	3,061	2,308
Capex		7,200	10,031	3,087	1,445	770	1,207	444	-293
Depreciation		1,736	1,648	1,361	1,263	1,046	1,014	1,012	995

Note The negative Capex figure in FY25/3 Q4 is due to a revision of the accounting entries for capital investments, following JDI’s decision to end production at its Mobara Fab.