

**Notice Concerning a Business Structure Improvement Expenses and
Share of Loss of Entities Accounted for Using the Equity Method**

TOKYO, Japan, February 14, 2018 - Japan Display Inc. ("JDI") announced that it has recorded a business structure expenses (extraordinary loss) and a share of loss of entities accounted for using the equity method (non-operating expense) in the consolidated financial results for the third-quarter of FY 2017 (October 1, 2017 to December 31, 2017). Details appear below.

1. Recording of a Business Structure Improvement Expenses (Extraordinary Loss)

In line with the *Notice Concerning Structural Reforms, Extraordinary Losses (Business Structure Improvement Expenses) and Reversal of Deferred Tax* released on August 9, 2017 JDI is streamlining its management based on implementation of a program of fundamental restructuring for the purpose of improving company earnings. A portion of the expenses of these structural reforms (business structure improvement expenses) has been booked as an extraordinary loss of 14,268 million yen in the accounting of financial results for the third quarter of FY 2017. Details appear below.

Details of the FY 2017 third-quarter business structure improvement expenses

Contents	Amount (million yen)
(1) Impairment loss	12,276
(2) Early extra retirement payment	2,435
Total	14,711

Cumulative nine-month (April 1, 2017 - December 31, 2017) business structure improvement expenses

Accounting item	Amount (million yen)
(1) Impairment loss	14,928
(2) Inventory valuation loss	11,628
(3) Early extra retirement payment	2,435
(4) Decommissioning costs	785
(5) Loss on sales of noncurrent assets	621
(6) Other	791
Total	31,192

2. Recording of share of loss of entities accounted for using the equity method (non-operating expense)

JOLED Inc. is an equity-method affiliate of JDI. Based on information in JOLED's financial statements, JDI recorded an investment loss of 3,577 million yen (share of loss of entities accounted for using the equity method) in the third quarter as a non-operating expense.

3. Outlook

The impact of the above-described extraordinary loss and non-operating expense on JDI's financial results is indicated in *Consolidated Financial Results for the Nine Months of Fiscal Year 2017 (Japanese GAAP)*, which was also released today.

The estimated amount of the expense for the above-describe structural improvements (business structure improvement expenses) to be recorded in FY 2017, which JDI previously announced would be approximately 170 billion yen, is now expected to be lower in light of expected changes in the business environment. An assessment of business conditions continues, and if the estimated amount to be recorded changes an announcement will be made immediately.