

February 14, 2020

[English Translation]

**Notice on the Submission of Application for Approval of Extension of Time to File
the Quarterly Securities Report for the Third Quarter of Fiscal Year 2019**

Japan Display Inc. (“JDI”) hereby announces that it has decided today to submit an application for approval of an extension of time to file the Quarterly Securities Report for the third quarter of FY 2019 ending March 31, 2020 to the Kanto Local Finance Bureau, pursuant to Article 17-15 paragraph 2 (i) of the Cabinet Office Ordinance on the Disclosure of Corporate Affairs.

We sincerely apologize to our shareholders, business partners and other stakeholders for any concern or inconvenience caused.

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1. Quarterly Securities Report subject to the application
The report for the third quarter of FY 2019 (October 1, 2019 to December 31, 2019)
2. Submission deadline before the extension
February 14, 2020 (Friday)
3. Submission deadline if the extension is approved
April 13, 2020 (Monday)
4. Reason for the application for an extension

As previously announced by JDI on December 24, 2019 (see "Notice Concerning the Establishment of a Third-Party Committee") and December 26, 2019 (see "Notice Concerning the Appointed Membership of the Third-Party Committee and Other Matters"), on November 26, 2019 JDI received notification (the “Allegation Notification”) from a former employee of our administrative division (the "Former Employee") stating that the Former Employee had conducted improper accounting of JDI’s financial results at the direction of senior management during the Former Employee’s tenure with JDI. In response to the Allegation Notification, on December 2, 2019 a Special Investigation Committee that included outside experts was formed to investigate the Former Employee’s allegations. However, as we learned from the Special Investigation Committee, specific doubts were raised by the Former Employee in regard to possible financial accounting improprieties in past fiscal years. Therefore, on December 24, 2019 we decided to make the investigation more transparent by transitioning the framework of the investigation to a Third-Party Committee comprised only of neutral and impartial members from outside JDI.

The Third-Party Committee has been committed to an investigation of the facts since its inception, and JDI has been cooperating with its fact-finding investigation to the fullest extent possible. At present, our understanding is that the Third-Party Committee is conducting an effort to clarify the facts concerning an indication received from the Special Investigation Committee that past inventory was overstated by approximately 10 billion yen and that later this amount was reversed, and is looking at other possible financial improprieties as indicated (the "Indicated Issues") in the Allegation Notification.

However, (1) the number of Indicated Issues claimed by the Former Employee numbers 15 and includes (a) the recording of fictitious inventory amounting to as much as 10 billion yen, (b) valuation losses that should have been recorded on retained and excess inventory were not recorded due to the use of fake sales forecasts and other deceptive means, (c) the postponement of expenses and losses that should have been recorded and using capitalization to manipulate profits, (d) provisions for product warranties that should have been recorded in regard to sales to a large-scale customer that were not recorded and (e) avoidance of impairment losses by forging business plans and other documents (note that none of these Indicated Issues have been identified by the Third-Party Committee and that during the Committee's investigation questions have been raised about other similar issues). Nevertheless, since there is a lack of specific information about improper acts, amounts of money involved and time periods, and since the Former Employee is now deceased, the contents of the Allegation Notification cannot be confirmed by the Former Employee. Also, since the period for which the fact-finding investigation is to be conducted needs to go back to April 2012 to when JDI started its business operations, the number of interviews with relevant persons is extremely large and the relevant documents to be examined are numerous, and so the work of the Third-Party Committee will require a considerable amount of time; (2) even when the Third-Party Committee conducts its interviews, as a number of people have departed JDI, many of our current employees do not have a detailed understanding of the possibly inappropriate financial accounting that was conducted in the past. Therefore, as interviews with a large number of retired employees is required, this makes it difficult for the Committee to conduct its interviews as desired according to the Committee's schedule; and in addition, (3) the Indicated Issues include many estimated items, such as in regards to recording of the impairment of fixed assets and deferred tax assets. Consequently, as JDI will need to recalculate these estimated items to provide verification, we have been notified by the Third-Party Committee that the submission of its fact-finding report is expected to occur around mid-April 2020.

In addition, JDI has determined that it is highly probable that at least some of the Indicated Issues do in fact point to actual financial accounting improprieties in previous fiscal years. The amount of the impact and retroactive period of the impact are being investigated by the Third-Party Committee and are not clear at this time. However, it is expected that certain financial results will need to be revised retroactively.

Even if it is assumed that, at some future point in time, the revisions to be handled by JDI and the audit work to be handled by the company auditors will be coordinated with the investigation by the Third-Party Committee, we expect that the financial impact required for the revision of financial results will be determined in late March 2020. Furthermore, we believe that the preparation of amendment reports applicable to previous fiscal year financial results and an additional audit by an independent auditor will last until mid-April, and that these

will be received by us at the same time the quarterly review report prepared for the third quarter of fiscal year 2019 is received.

Therefore, as we have concluded that we will not be able to submit a Quarterly Securities Report by the statutory submission deadline, today JDI has decided to submit an extension application to the Director of the Kanto Local Finance Bureau to extend the time for filing the Quarterly Securities Report for the third quarter of fiscal year 2019.

5. Outlook

JDI will promptly make an announcement once the application is approved. Also, we will promptly provide notification if financial results in previous fiscal year require revision.

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