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## Difference Between FY22/3 H1 Earnings Forecast and Actual Results & Upward Revision of Full-Year Earnings Forecast

Japan Display Inc.'s (JDI) actual FY22/3 H1 sales and operating profit have come in above its upwardly-revised forecast announced on October 26, 2021.

JDI is also revising up its FY22/3 full-year sales forecast announced on August 5, 2021 and newly forecasting for full-year EBITDA, operating profit, recurring profit, net income, and EPS, per the below.

### 1. Difference Between FY22/3 Q2 Forecast and Actual Results

#### (1) FY22/3 Q2 (July 1, 2021 to September 30, 2021)

(JPY million, except per share amounts)

	Sales	EBITDA	Operating Profit (Loss)	Recurring Profit (Loss)	Net Income (Loss)	EPS
Previous forecast (A)	70,000	–	(2,000)	–	–	–
Result (B)	71,898	955	(1,160)	(1,212)	(1,760)	JPY (0.47)
Change(B-A)	+1,898		+840			
% Change	2.7%		–			
(Reference) FY21/3 Q2	111,796	1,048	(2,872)	(6,410)	(20,000)	JPY (8.54)

#### (2) FY22/3 H1 (April 1, 2021 to September 30, 2021)

(JPY million, except per share amounts)

	Sales	EBITDA	Operating Profit (Loss)	Recurring Profit (Loss)	Net Income (Loss)	EPS
Previous forecast (A)	135,961	–	(7,872)	–	–	–
Result (B)	137,860	(2,761)	(7,033)	(7,570)	(8,753)	JPY (2.96)
Change(B-A)	+1,898		+840			
% Change	1.4%		–			
(Reference) FY21/3 H1	199,795	(2,160)	(9,879)	(15,210)	(36,286)	JPY (15.59)

- Note 1 JDI previously disclosed forecasts just for Sales and Operating Profit.
- 2 FY21/3 Q2 and H1 Recurring Profit (Loss) has been adjusted to reflect a change in JDI accounting treatment in FY21/3 Q3 with respect to gains on sale of fixed assets.

(Reference) Forecast Excluding Impact of Semiconductor Chip Shortage

(JPY million)

	FY22/3 Q2 (Jul 1, 2021 to Sep 30, 2021)			FY22/3 H1 (Apr 1, 2021 to Sep 30, 2021)		
	Sales	EBITDA	Operating Profit (Loss)	Sales	EBITDA	Operating Profit (Loss)
Previous Forecast (A)	78,000	-	1,300	152,800	-	(1,500)
Result (B)	79,800	4,200	2,000	154,600	3,600	(800)
Change (B-A)	+1,800		+700	+1,800		+700
% Change	+2.3%		-	+1.2%		-

(3) Reason for the Difference Between the August 5, 2021 Forecast and Actual Results

In the release "Upward Revision of Earnings Forecast" on October 26, 2021, JDI revised up its FY22/3 H1 earnings forecast announced on August 5, 2021 due to increased sales on strong customer demand, agreements with customers to pass through higher parts and materials costs into higher JDI selling prices, and above-forecast JDI cost reductions. In finalizing the FY22/3 H1, JDI has confirmed further earnings upside, resulting in a difference between the revised upward forecast and actual FY22/3 H1 results.

For details of FY22/3 H1 earnings, please refer to "FY22/3 H1 Earnings" released today.

2. Revision of FY22/3 Forecast (Apr 1, 2021 to Mar 31, 2022)

(1) Details

(JPY million, except per share amounts)

	Sales	EBITDA	Operating Profit (Loss)	Recurring Profit (Loss)	Net Income (Loss)	EPS
Previous Forecast (A)	280,000	-	-	-	-	-
Revised Forecast (B)	297,000	(4,400)	(13,100)	(14,500)	(18,400)	JPY(4.77)
Change (B-A)	+17,000		-			
% Change	+6.1%		-			
(Reference) FY21/3 Full-Year	341,694	(12,502)	(26,226)	(32,656)	(42,696)	JPY(17.93)
(Reference) FY22/3 Full-Year Forecast Excluding Chip Shortage Impact	319,900	3,900	(4,800)	(6,200)	(10,100)	

FX assumption: Previous forecast USD/JPY = 104, Revised forecast USD/JPY = 112

(2) Reason for Upward Revision

JDI is revising up the full-year forecast because customer demand continues to be strong, the impact of the semiconductor chip shortage is lessening, and JDI adjusted upward its FY 22/3 H2 FX assumption.

In addition, JDI today newly announced full-year profit forecasts. Sales are expected to decrease year-on-year due to a decrease in demand for smartphone LCDs. However, because JDI has dramatically lowered its break-even point due to a stronger product mix and cost reductions, P&L is forecast to improve significantly.

Forward-looking information such as the above earnings forecast is based on information available to JDI at the time the document was prepared and management's reasonable assumptions. This information is necessarily subject to a number of factors that may cause actual results to differ materially from this forecast.