



# METAGROWTH 2026

Japan Display Inc.

May 13, 2022








# META

**“Comprehensive, Overarching”  
Underscores JDI’s Commitment to  
Transformational Growth**

**Metaverse Also a JDI Growth Driver**



# METAGROWTH 2026

-  **1** Core Strategy
-  **2** FY19-FY21 – Towards Structural Profitability
-  **3** Financial Targets (KPIs)
-  **4** JDI's Six Proprietary Growth Drivers



# Core Strategy

## Core Strategy

**Global No. 1 Technology Leadership to  
Best Serve Customers and Deliver  
PersonalTech For A Better World**

**METAGROWTH in Value Creation**





## Displays are a foundational technology for modern society JDI has unmatched technological capabilities to deliver customer and social value and improve people's lives



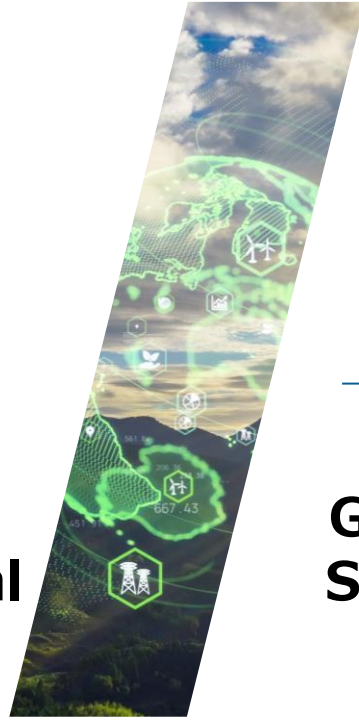
①

**Global No. 1  
Technology  
Leadership**



②

**Market-Leading  
Technology,  
Transformational  
Growth**



③

**GreenTech &  
Sustainability**



①

## Global No. 1 Technology Leadership

- **JDI has regained technology leadership in the global display industry with its Global No. 1 proprietary technologies, including eLEAP (NextGen OLED), HMO (High Mobility Oxide), Metaverse (Ultra High Resolution), & Rælclear (Transparent Displays)**
- **JDI will further expand its technology leadership to dramatically increase customer & shareholder value**

Note: Rælclear is a trademark of JDI. eLEAP is a provisional name, pending registration.



②

**Market-Leading  
Technology,  
Transformational  
Growth**

- **The global display business is a technology industry. JDI is a technology company. So are its customers. Customers' needs are superior technology & high cost performance**
- **Support JDI's customers' value creation & competitive advantage by delivering proprietary Global No.1 technologies such as eLEAP, which has unparalleled cost performance**
- **End participation in commodity competition, leverage JDI's one-of-a-kind, innovative technology to generate radical improvements in profitability & growth**





3

## GreenTech & Sustainability

- **Address deeply important global environmental issues via JDI environment positive GreenTech such as eLEAP & HMO, which deliver significant value to JDI's socially conscious customers**
- **Companies exist to serve society. JDI will always run its business to contribute to a sustainable world**
- **JDI is committed to an open corporate culture and supports the growth of each & every employee and their pursuit of Global No. 1 excellence**

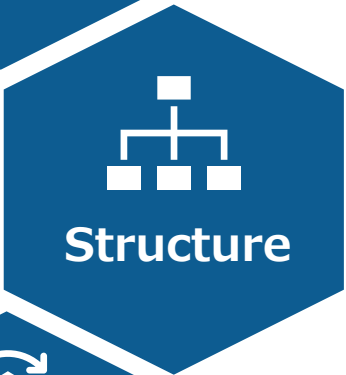


# **FY19-FY21 – Towards Structural Profitability**



## Financial

- Significant reduction in breakeven point through structural reforms
- Strengthened financial position & equity ratio via recapitalization
- Dramatic reduction in fixed & variable costs to shrink operating loss



## Structure

- Strengthened governance & introduced global best-in-class board structure with majority Independent Directors
- Streamlined asset base, including sale of Hakusan Plant



## Product Mix

- Withdrew from unprofitable products & strengthened product portfolio



## Technology

- Developed breakthrough frontplane (eLEAP) & backplane (HMO) technologies to drive Global No. 1 technology leadership



## From FY19 onwards, massive improvements in key operating outcomes

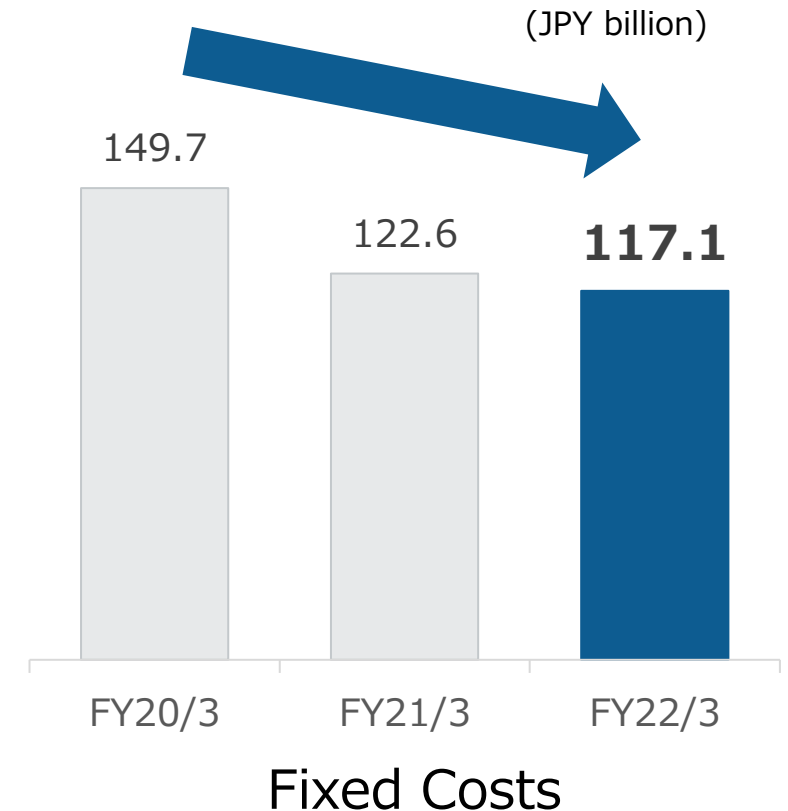
	FY19	FY20	FY21	(JPY billion)
Sales	504.0	341.7	295.9	
Fixed Costs	149.7	122.6	117.1	
EBITDA	-19.5	-12.5	0.2	
Operating Profit	-38.5	-26.2	-8.6	
Breakeven Point	580.2	401.3	316.5	
Equity Ratio	12%	13%	28%	



## Relentless cost reduction & pursuit of operating efficiencies

### FY22/3 Full-Year Fixed Costs: -21% vs. FY20/3

- **Manufacturing:** Maximized throughput by improving productivity and yields
- **Company-wide:** Reduced SG&A and indirect expenses & improved operating efficiency

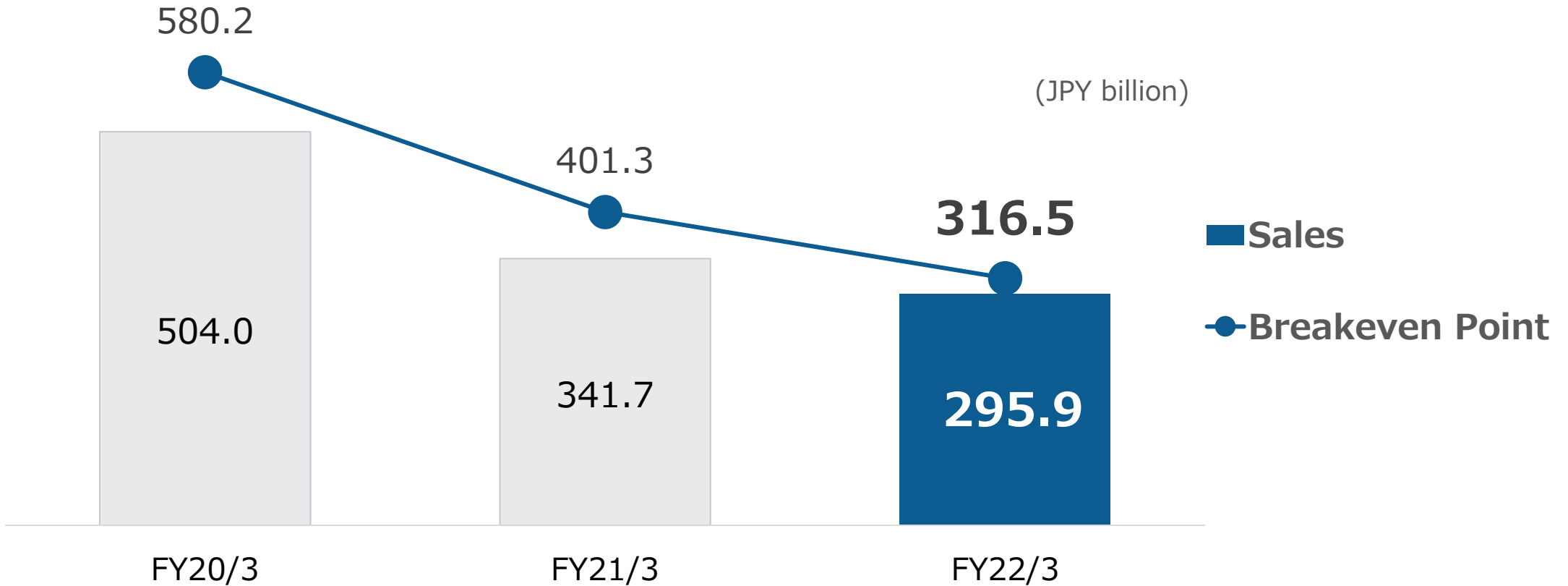


※Fixed costs defined broadly and include factory power and maintenance costs, transport costs.



## Sharply reduced breakeven point on increased product profitability & cost reductions

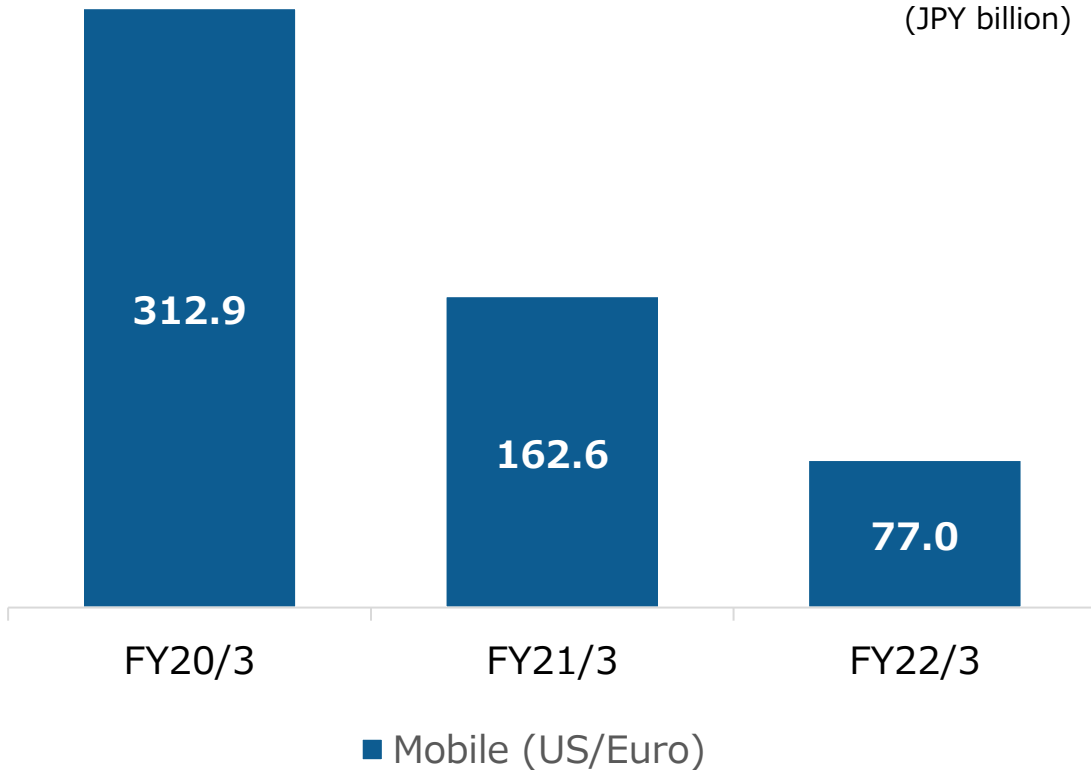
### Reduced Breakeven Point by c. JPY 260B



## Absorbed sharp decline in Mobile (US/Euro) & grew profitable product portfolio

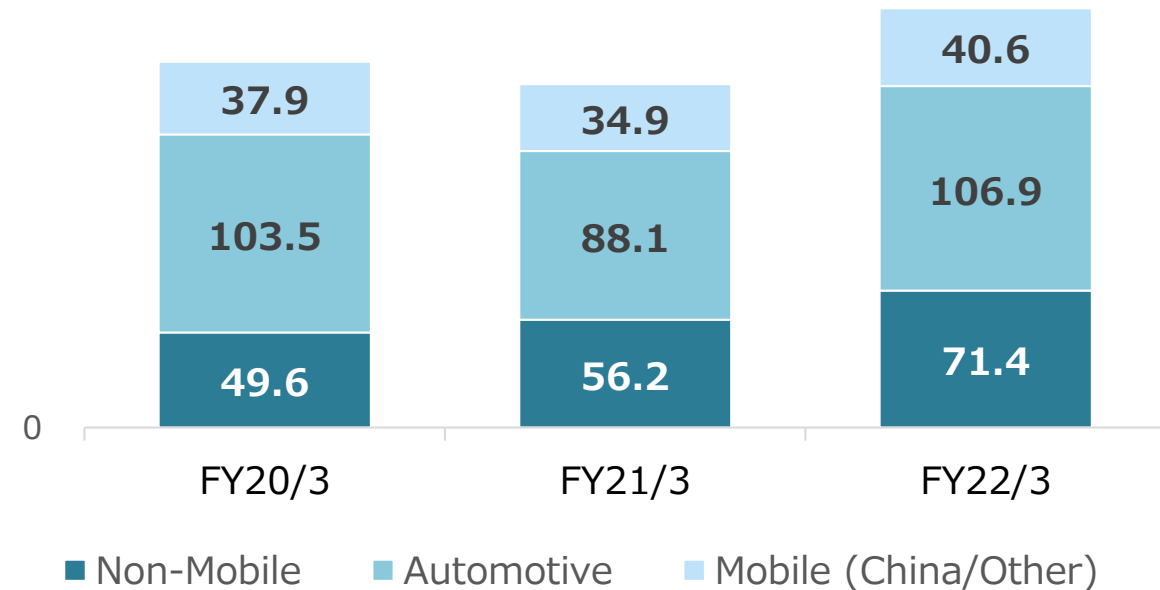
Yearly Sales for Mobile (US/Euro)

(JPY billion)



Yearly Sales excl. Mobile (US/Euro)

(JPY billion)





## Working towards the realization of a sustainable society by addressing key social needs

### United Nations Global Compact

Signatory of United Nations Global Compact (UNGC)

<Reference>

UNGC <https://www.unglobalcompact.org>



### Renewable Energy

Participating in Apple's Supplier Clean Energy Program by committing to 100% renewable energy

<Reference>

Apple Supplier Clean Energy Program  
[https://www.apple.com/environment/pdf/Apple\\_Supplier\\_Clean\\_Energy\\_Program\\_Update\\_2022.pdf](https://www.apple.com/environment/pdf/Apple_Supplier_Clean_Energy_Program_Update_2022.pdf)





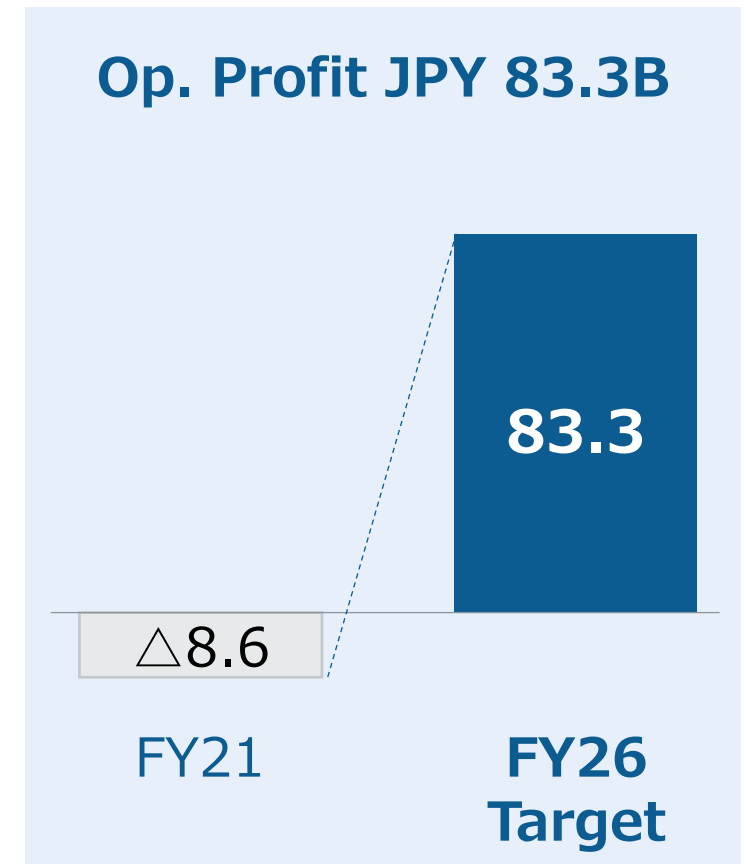
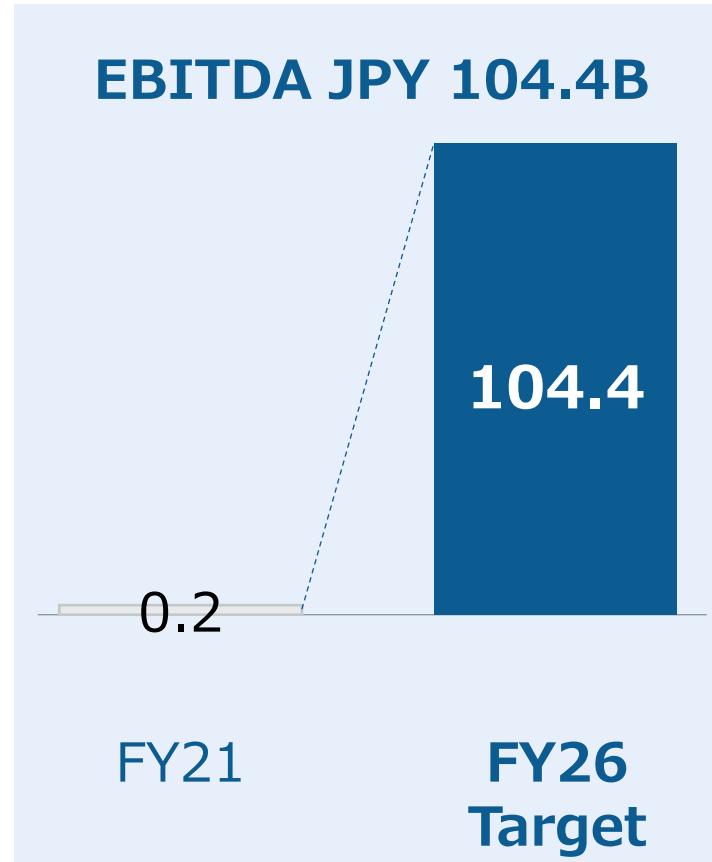
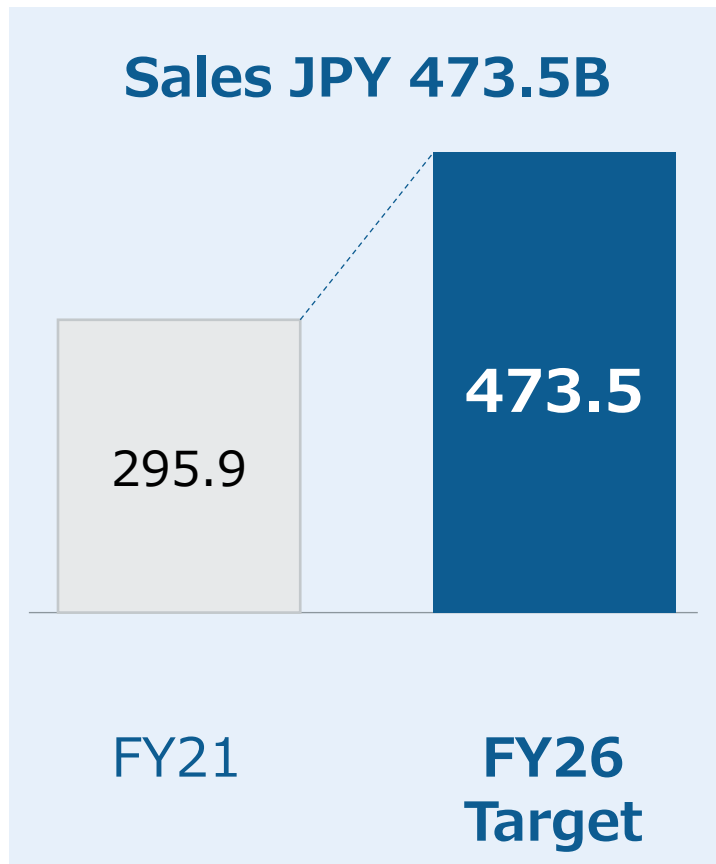
## Financial Targets (KPIs)



## Drive profitable growth by focusing on high-margin businesses where JDI has competitive advantages

**FY26 EBITDA JPY104.4B Operating Profit JPY 83.3B**

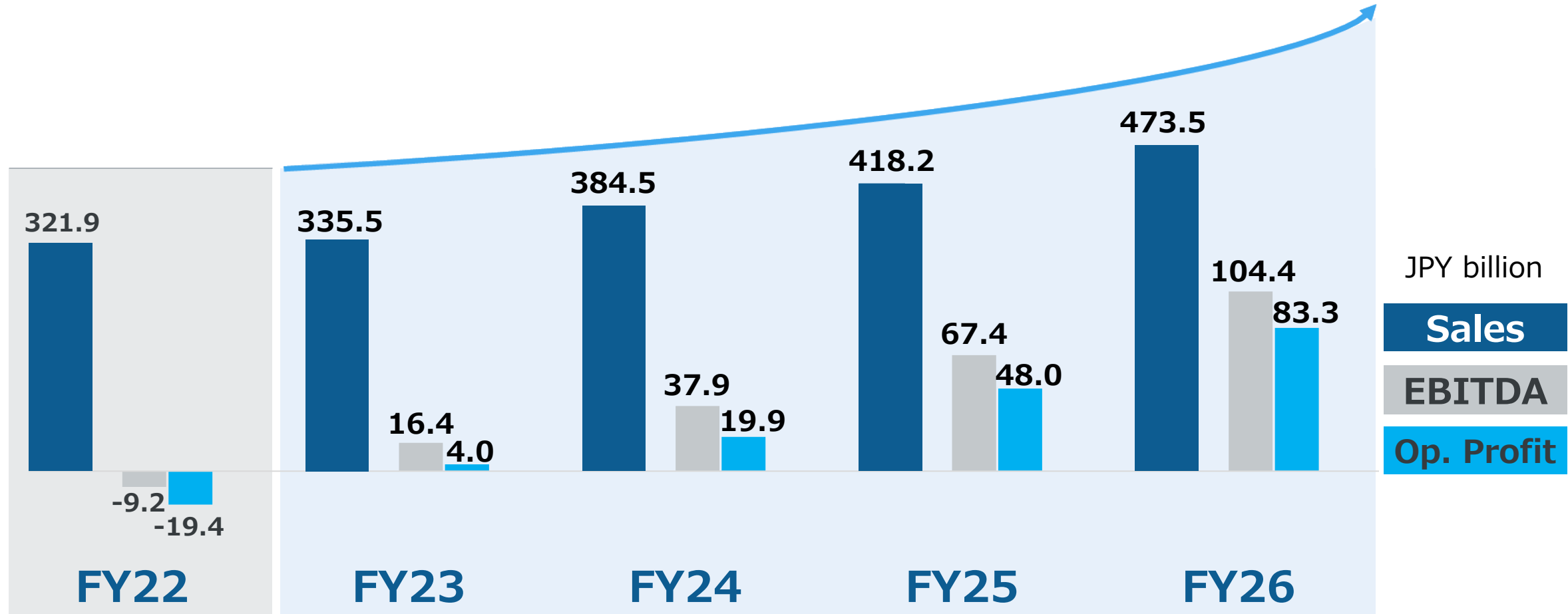
JPY billion





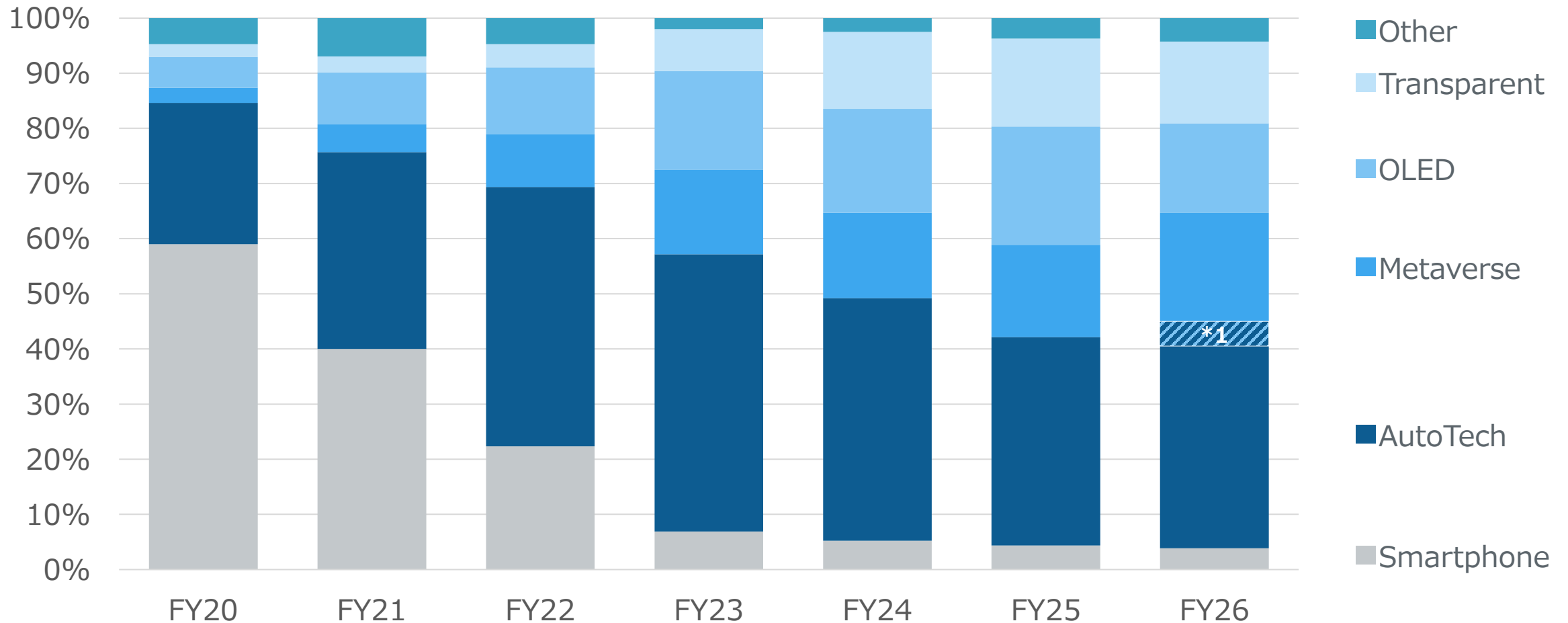
## Drive profitable growth by focusing on high-margin businesses where JDI has competitive advantages

FY26 EBITDA JPY104.4B Operating Profit JPY 83.3B





## Generate structural profitability by shrinking low-margin businesses & diversifying & strengthening high-margin product portfolio



\*1: In FY26, c. 5% of eLEAP (OLED) is included in AutoTech



# JDI's Six Proprietary Growth Drivers





# JDI's Six Proprietary Growth Drivers



JDI's six proprietary growth drivers are all Global No.1 technologies that provide significant customer value & drastically improve JDI's profitability

Customer Value

## 1 eLEAP (NextGen OLED)

- High brightness, long life, & high resolution while supporting a wide range of shapes & sizes
- Environment positive GreenTech with superior cost performance



## 2 HMO (High Mobility Oxide)

- Backplane technology with ultra-low power consumption, high resolution, & large display size capability
- Foundational technology for G8 & G10 fabs



## 3 Metaverse (Ultra High Resolution)

- Unparalleled sense of reality & immersion
- High yields & outstanding quality





# JDI's Six Proprietary Growth Drivers



JDI's six proprietary growth drivers are all Global No.1 technologies that provide significant customer value & drastically improve JDI's profitability

Customer Value

## 4 AutoTech

- EV-focused, best-in-class integrated cockpit development
- HUD development driving safety improvements



## 5 Raelclear (Transparent Displays)

- World's highest transparency
- Social contribution by enabling more interactive & inclusive communication



## 6 New Tech, Products, & Businesses

- Expand applications of JDI proprietary technologies
- New businesses that address important social needs





## eLEAP

- environment positive
- Lithography with maskless deposition
- Extr<sup>e</sup>me long life, low power, & high luminance
- Any shape Patterning







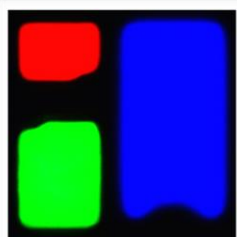
## 2X peak brightness, 3X lifetime with brighter & clearer images & free shape flexible designs

### High Brightness (2X)



Conventional  
OLED  
28%

eLEAP  
60%



Brightness,  
vividness &  
free shapes  
unimaginable  
with existing  
technology



eLEAP

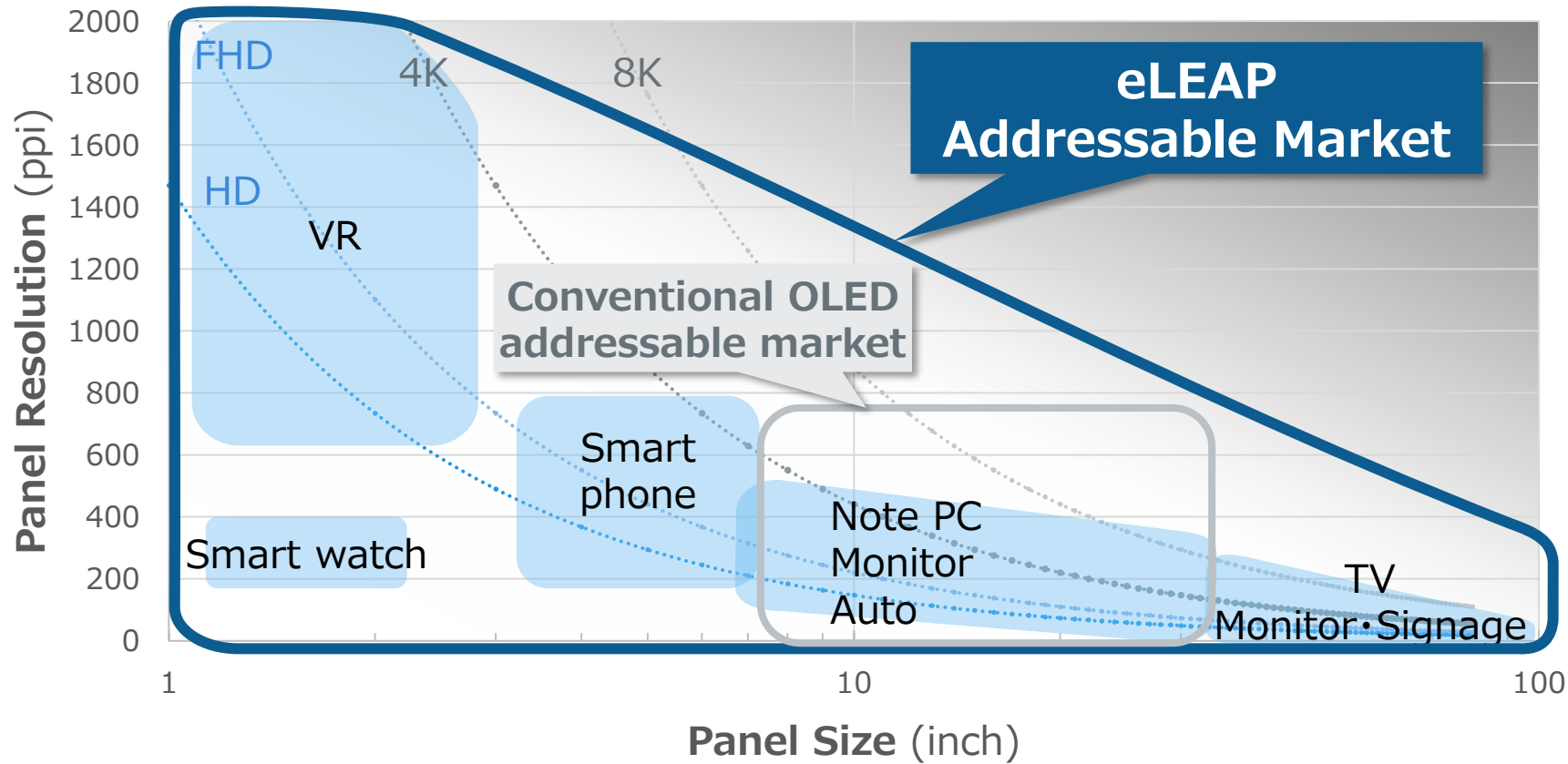
### Long Lifetime (3X)

Lifetime comparison	New	After 1yr	After 3yrs	After 5yrs
	0h	1000h	3000h	5000h
Conventional OLED				
eLEAP				

※ Image assuming luminance deterioration due to 3h / day lighting with brightness equivalent to 600nit



## Dominates all current OLED technologies across large addressable market





**Maskless OLED deposition is a breakthrough, environment positive production process that eliminates mask cleaning chemicals  
150k tons p.a. of CO2 emission reduction via deployment at JDI Mobarra**

# ECO



## 150k tons of yearly CO2 emissions =

**CO2  
Absorption  
Volume  
of 900k  
cedar trees**



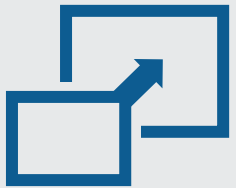
**Cedar forest  
the size of  
3.7k Tokyo  
Domes**



CO2 emissions are JDI's calculations based on G6 Mobarra plant at 30 k sheets/month



## Ultra-low power consumption, high resolution, & large screen capabilities – JDI also to provide technical support & licensing



Allows for large-screen high resolution OLED



Optimal technology for G8/G10 OLED lines





## 4X mobility (higher resolution, speed, & performance) with 40% lower power consumption

	Conventional Oxide	HMO	UHMO
Mobility	12cm <sup>2</sup> /Vs	36cm <sup>2</sup> /Vs (Over x2 conventional)	52cm <sup>2</sup> /Vs (Over x4 conventional)



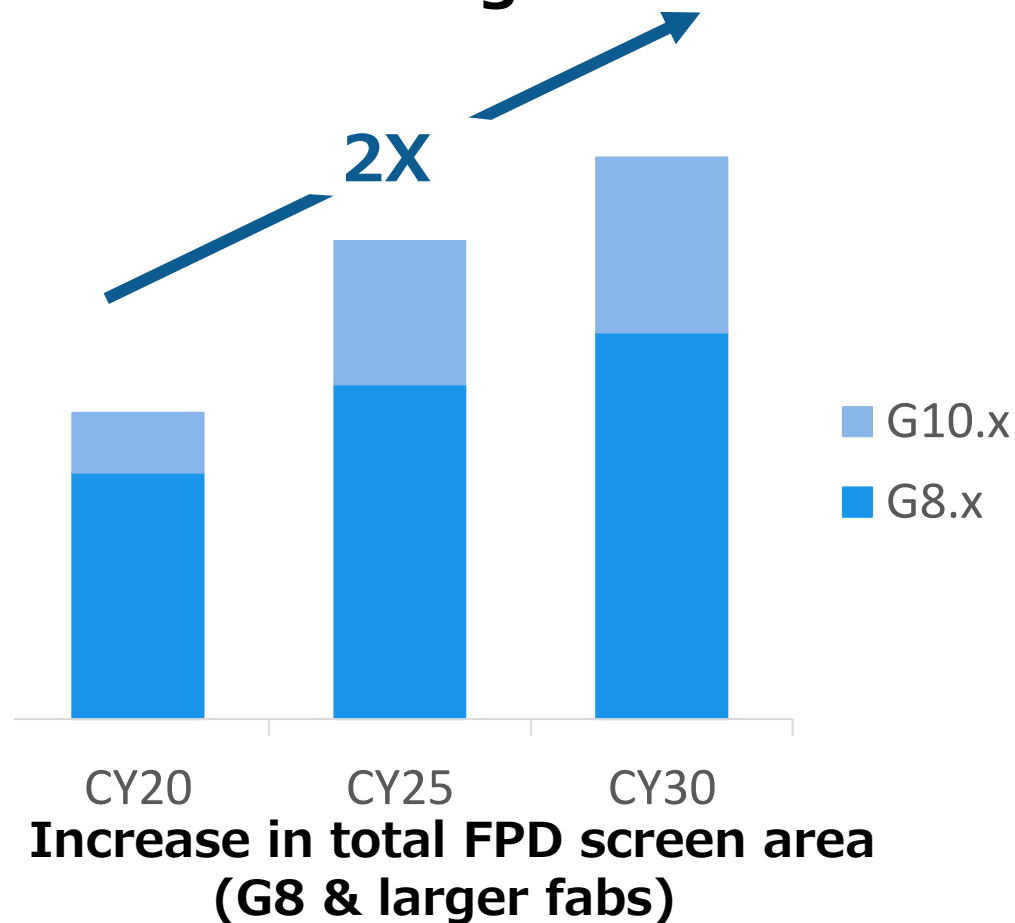
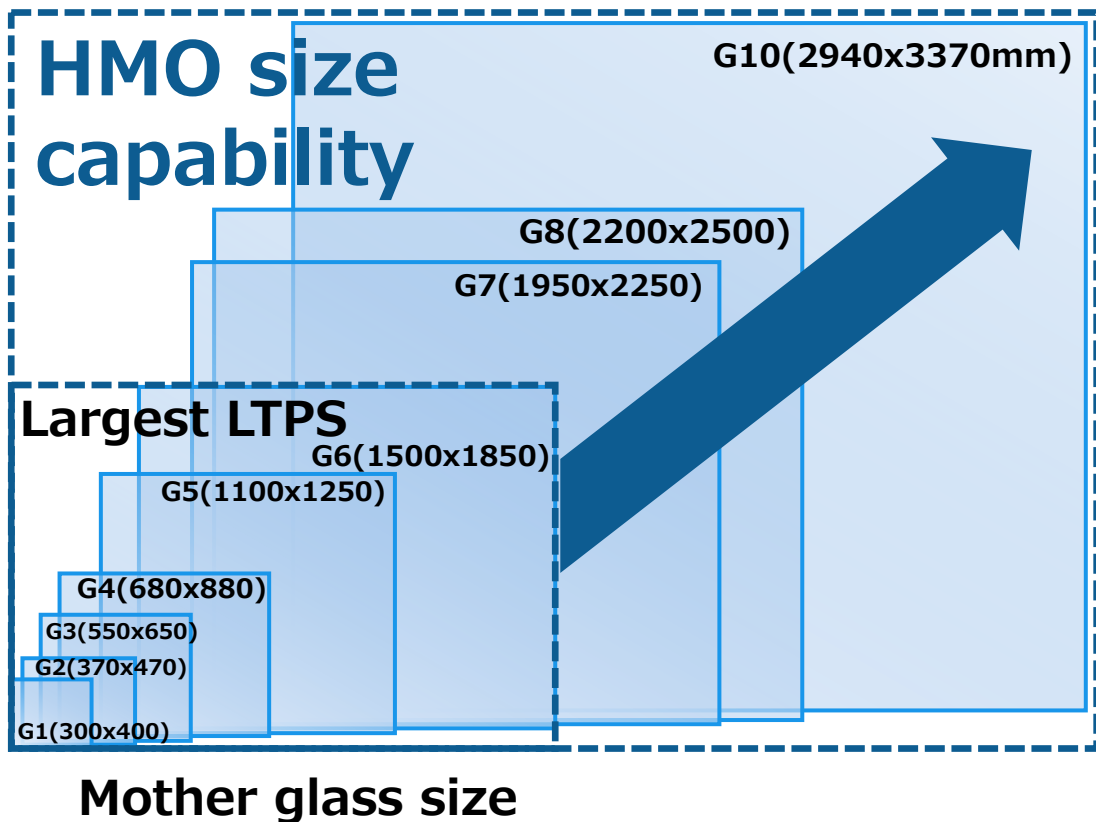
Conventional oxide, low resolution, small- & medium-sized screens



HMO, high resolution, can do large screens



## HMO addresses growing market, including replacement demand at existing fabs



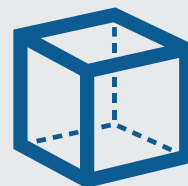
Source: JDI estimates based on research institute information



## Ultra high resolution VR for the Metaverse, providing high-quality video performance & unparalleled sense of reality & immersion



Broad set of use cases, including educational applications

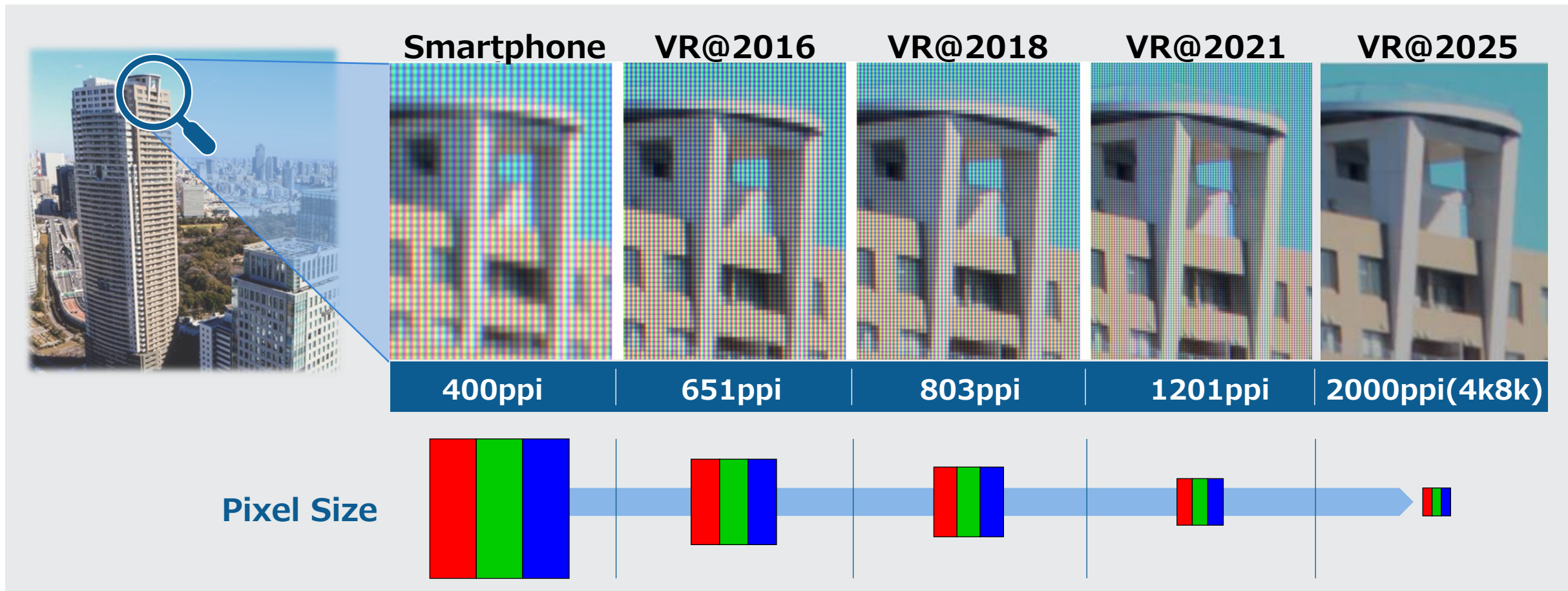


Supporting creation of 360-degree VR content





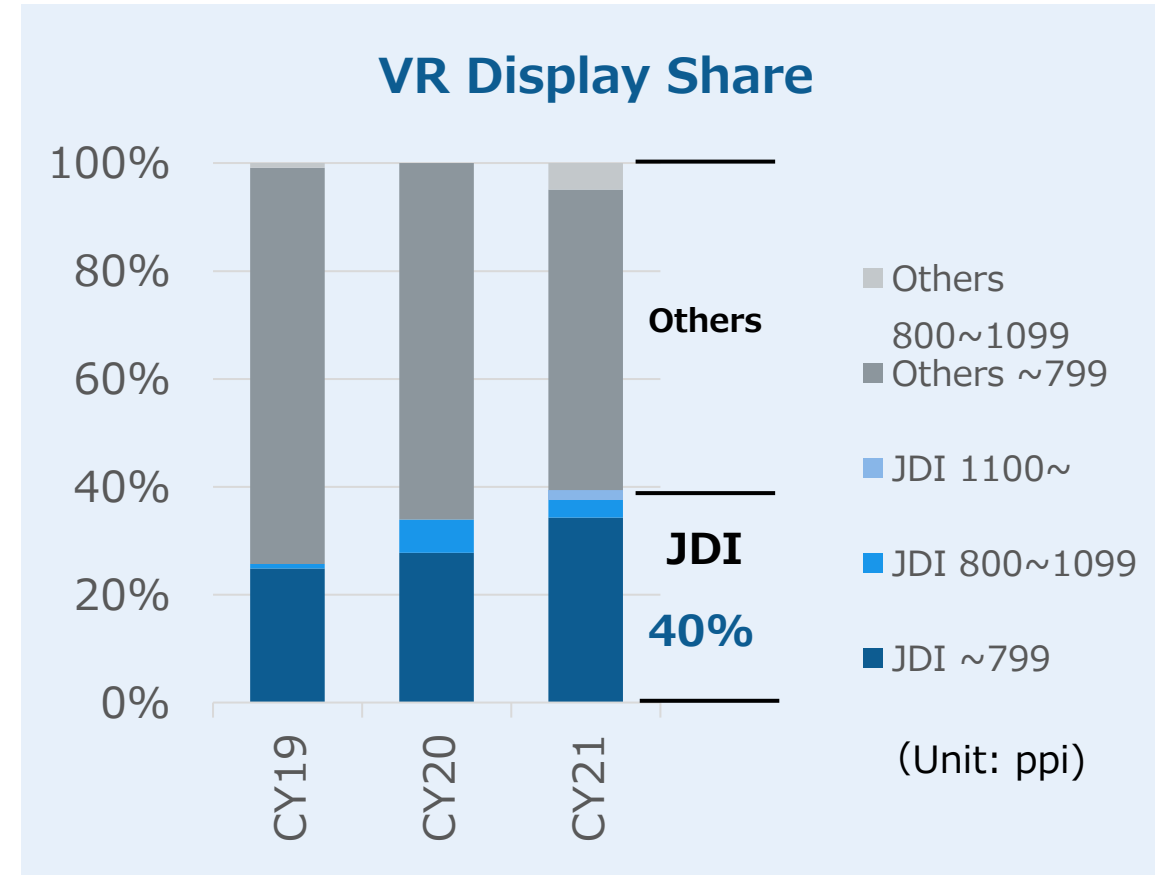
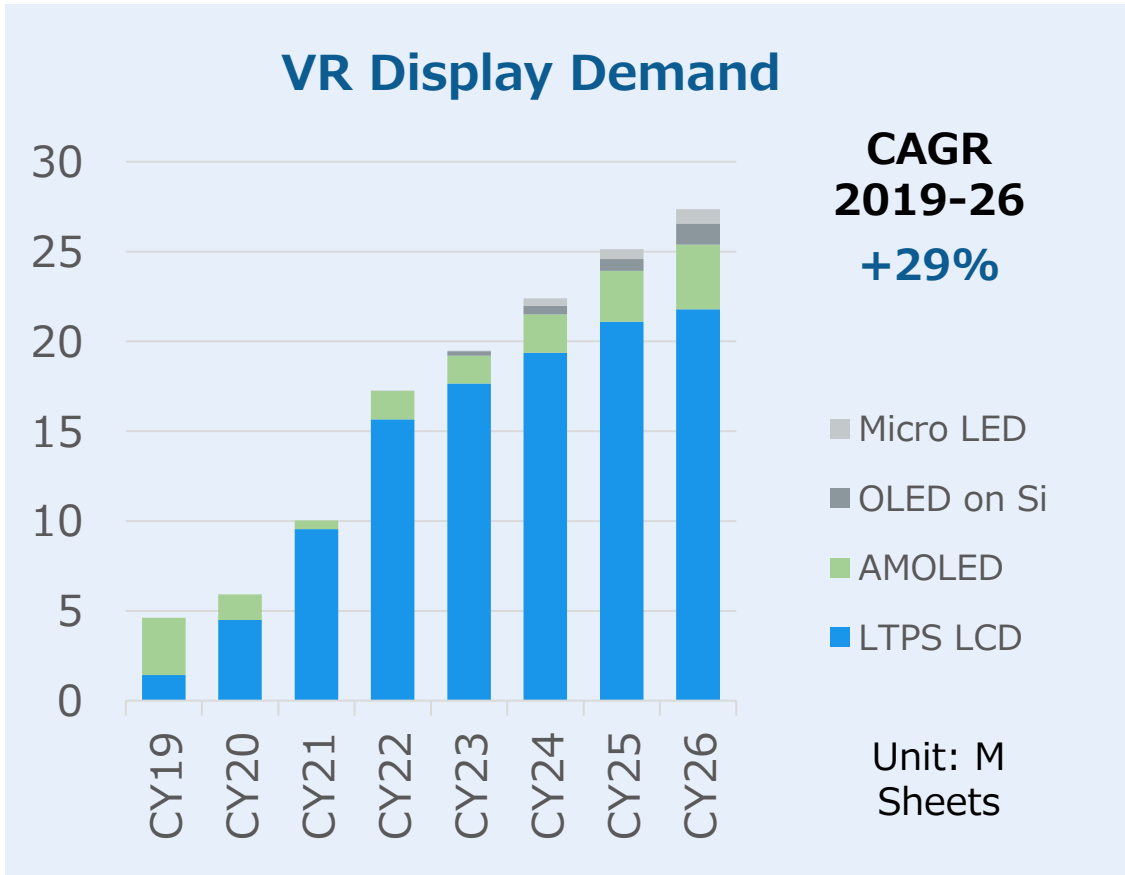
## Global No. 1 image quality via JDI ultra high resolution panels







## Significant Metaverse growth + JDI market share growth as Global No. 1 provider of ultra high resolution displays



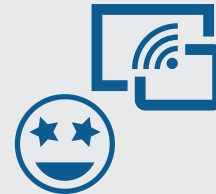
Source: OMDIA\_Small Medium Display Market Tracker Forecast 4Q21, shares are JDI-estimated based on survey institutional data (volume basis).



## Developing integrated cockpit with best-in-class aesthetics & high value-add via new applications such as Privacy View



Innovation & evolution in IT & information requirements & interior designs

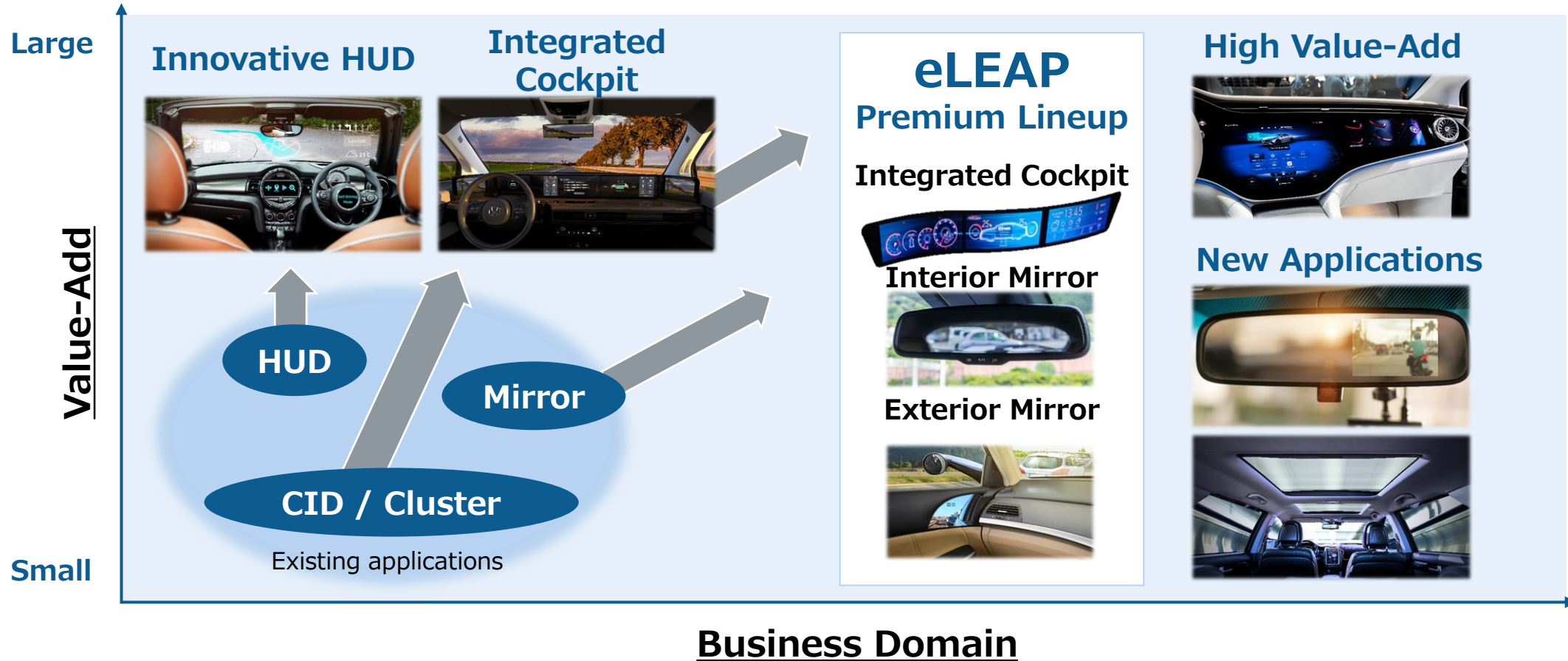


Large displays, outstanding image quality, & JDI differentiated tech





## Contributing to road & passenger safety by driving HUD & EV-focused, best-in-class integrated cockpit technology development

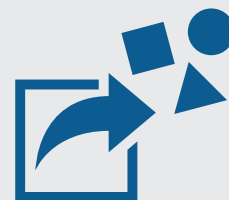




# JDI's Six Proprietary Growth Drivers | AutoTech



Leading the EV era with premium, comprehensive line-up deploying eLEAP

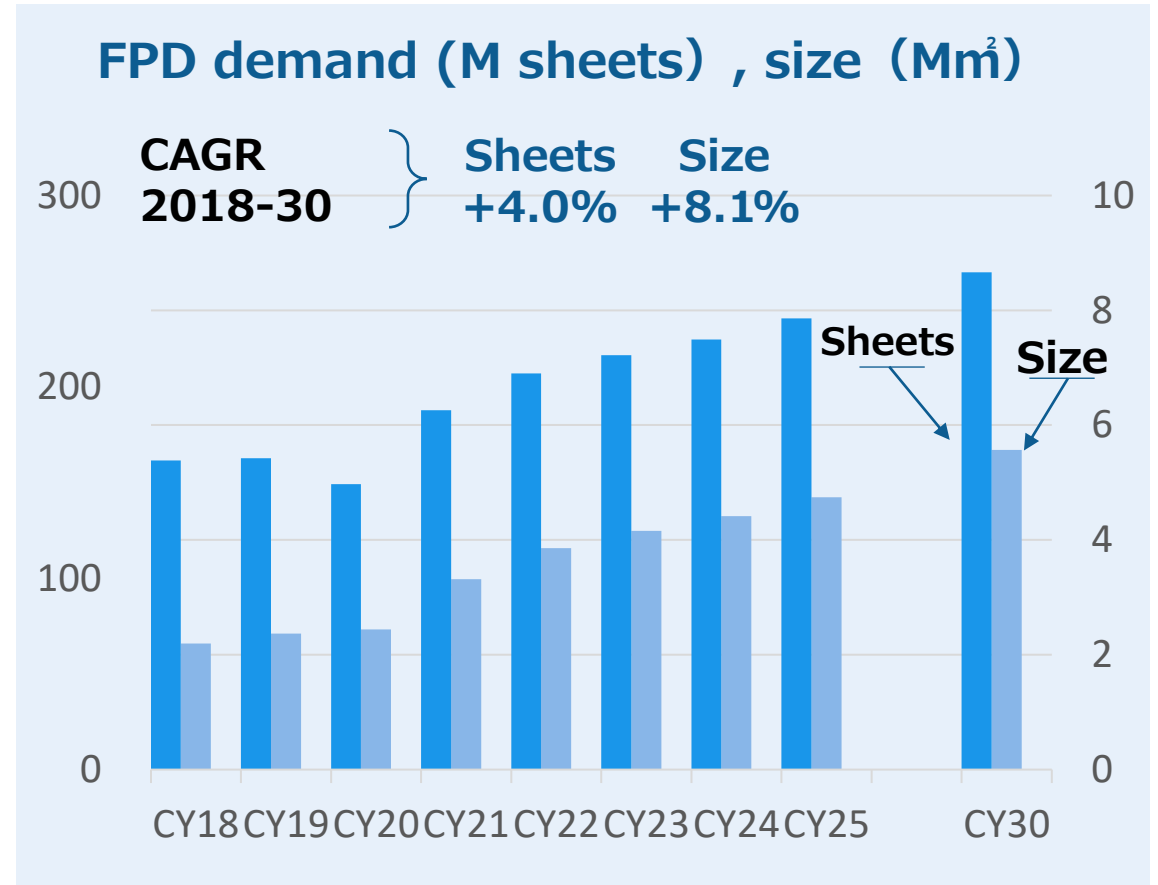
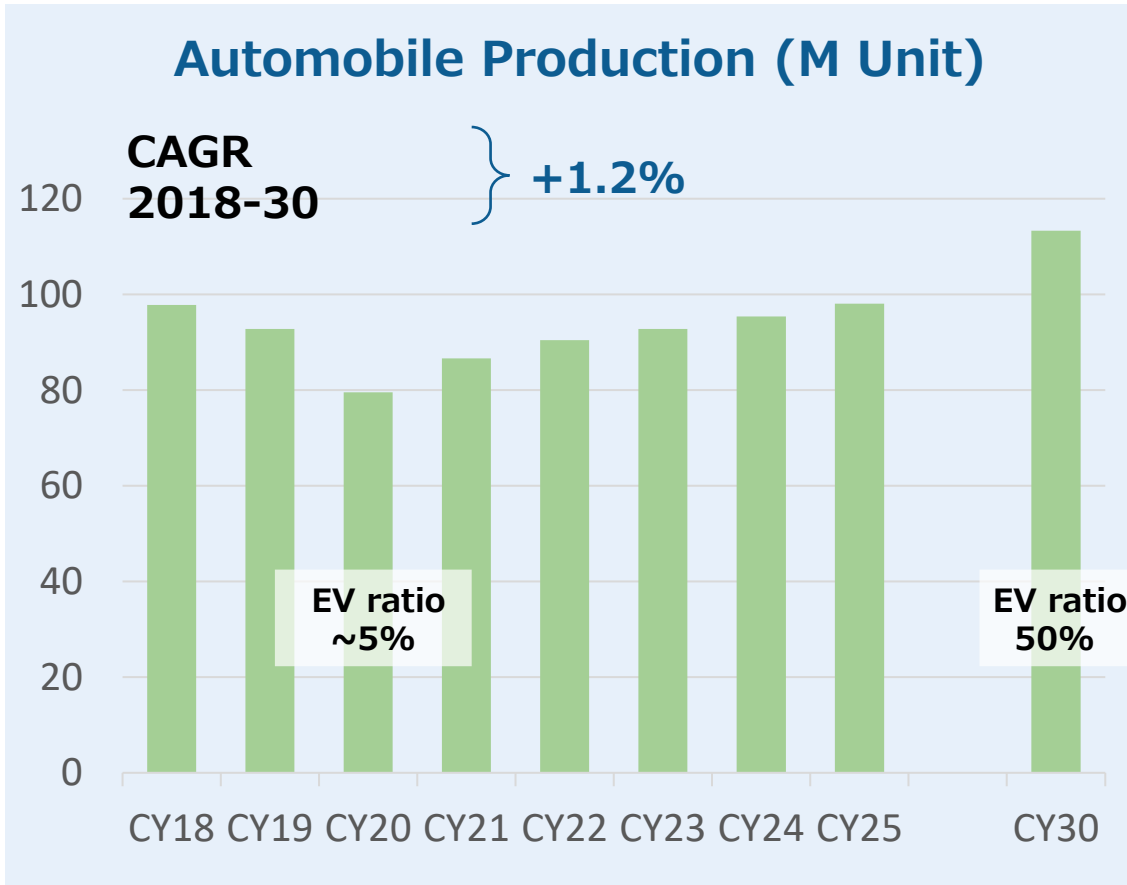


Improving designs for integrated cockpits & mirrors using eLEAP free shapes





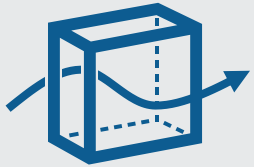
## Global Auto, EV, & display demand continues to increase



EV: Battery-powered Electric Vehicles + Plug-In Hybrid Vehicles

Source: Yano Research Institute Ltd. (October 2021) for automobile production; JDI estimates for EV ratio  
 FPD shipments are OMDIA\_Small based on JDI estimates for Medium Display Market Tracker Forecast 4Q21, CY30

## Social contribution via Global No. 1 transparency that allows for interactive communication including direct conveyance of emotions



World's highest transparency



Glass-like transparency enabling 2-way communication



Demo at the National Museum of Emerging Science and Innovation



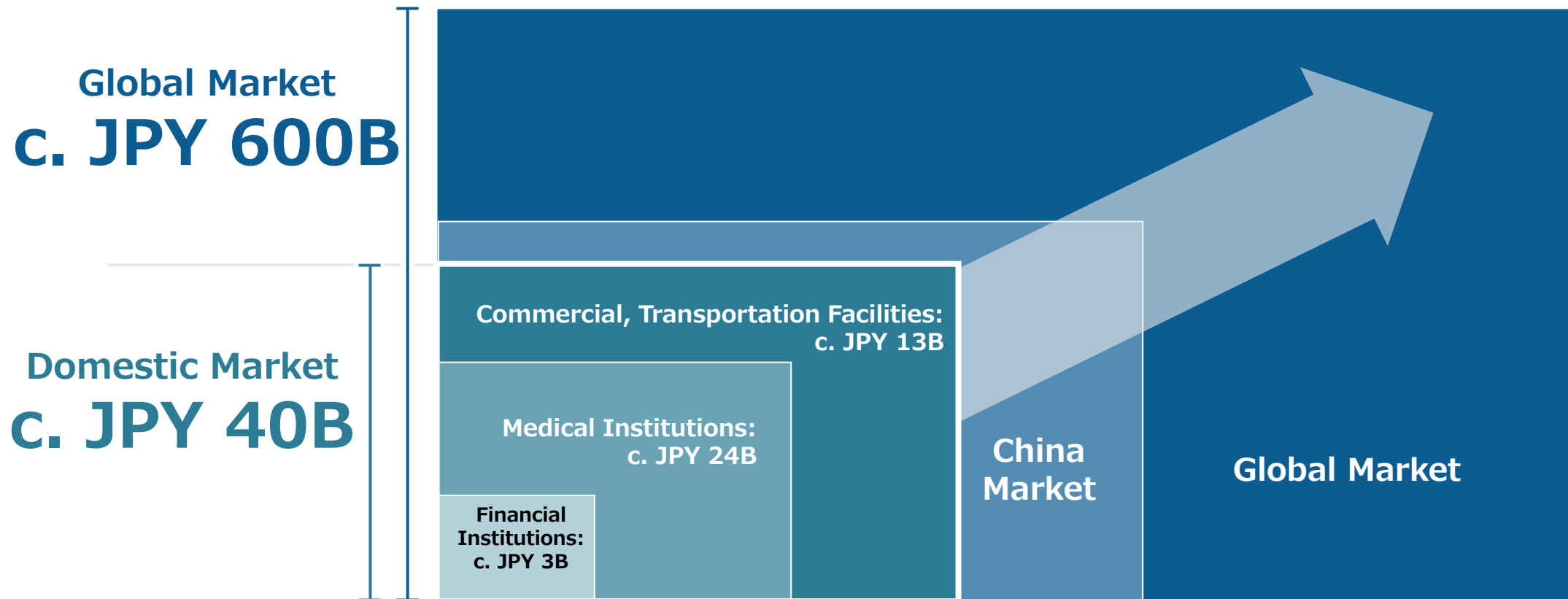
**World's highest transparency allows for brand new use cases**



**Address untapped needs by joining with customers to think out of the box**



## Expand business globally across diverse set of customers and needs



Source: JDI estimates based on various store count information





## Developing new products & solutions to address important social needs, leveraging JDI's unmatched technology capabilities



Support for public and personal health through contactless hover sensors



High brightness, ultra high contrast displays for medical diagnostics

Paris >

London ✓

Barcelona ✕

New York ✓

Los Angeles >

Shanghai ⓘ

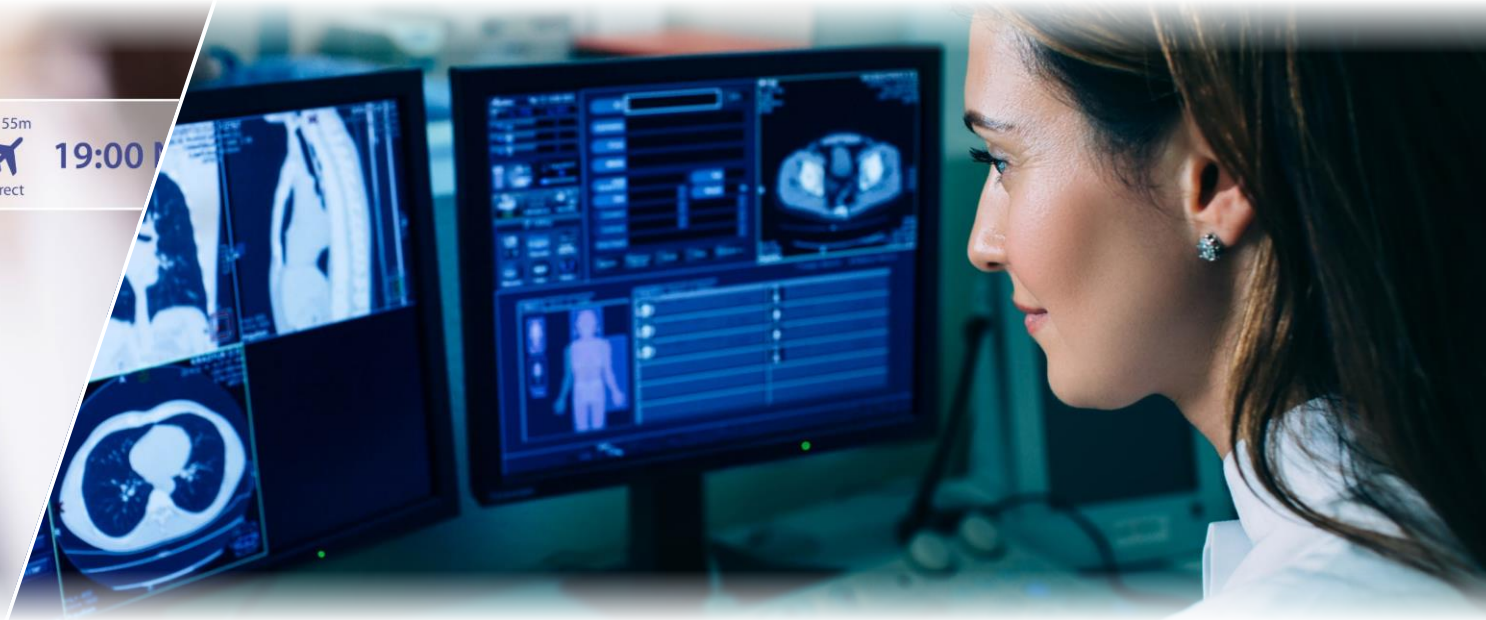
LON 16:05

7h 55m



19:00

Direct





## Developing new products & solutions to address important social needs, leveraging JDI's deep technology capabilities



JDI technology innovation in ultra high speed, high bandwidth NextGen telecom



Supporting self-diagnostics & remote care with biometric sensor technology





**PersonalTech**  
**For A Better World**