JDI Japan Display Inc.

# Notice Concerning the Recording of a Non-Operating Expense

# (Foreign Exchange Loss)

TOKYO, Japan, May 10, 2016 – Japan Display Inc. ("JDI") today announced a non-operating expense (foreign exchange loss) to be recorded to the company's FY 2015 consolidated accounts. Details appear below.

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1. Non-operating expense (foreign exchange loss) summary

A foreign exchange loss of 11,246 million yen that occurred in the fourth quarter of FY 2015 (January 1, 2016 to March 31, 2016) due to volatility in the foreign exchange market will be recorded as a non-operating expense.

The reason for this foreign exchange loss is that extreme volatility in the foreign exchange market in the fourth quarter of FY 2015 resulted in a difference in the foreign exchange rate relevant at the time of sales and purchase transactions and the rate relevant at the time those transactions were settled. In addition the valuation loss of assets and liabilities held by JDI is to be recorded based on the foreign exchange market rate at the end the fourth quarter. Also, a foreign exchange loss was realized on the scheduled partial payment of a long-term liability incurred at the time of previous strong yen appreciation.

Because a foreign exchange loss of 10,665 million yen was already recorded for the initial nine months of FY 2015 JDI will record a total foreign exchange loss of 21,911 million yen in its consolidated accounting of the recently completed fiscal year.

2. Impact on financial results

In regard to the impact of the above-described foreign exchange loss on financial results please refer to the "Notice Concerning the FY 2015 Financial Results Forecast and Revision of the Dividend Forecast" released today.

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**About JDI**

Japan Display Inc. (JDI) is the leading global manufacturer of advanced small- and medium-sized LTPS LCD panels. By leveraging its advanced technologies and the world’s largest LTPS production capacity, JDI provides high resolution, low power consumption and ultrathin displays for smartphones, tablets, automotive electronics, digital cameras, medical equipment and other electronic devices. JDI, which commenced operations in April 2012, was formed through the consolidation of the display panel businesses of Sony, Hitachi and Toshiba. The company listed its stock on the First Section of the Tokyo Stock Exchange in March 2014 (securities code: 6740). For more information please visit: http://www.j-display.com/english/.

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