

INCJ to make additional investment in Japan Display Inc.

- Maximum additional investment of 75 billion JPY to support JDI's new growth strategy
- INCJ to transfer a portion of its shares in JOLED to JDI in H1 FY2017
- Strong support for structural innovation in the display industry

Tokyo, December 21, 2016 – Innovation Network Corporation of Japan (INCJ) announced today its decision to make an additional investment in small and medium-sized display business, Japan Display Inc. (JDI). INCJ will make a capital contribution of up to 75 billion JPY to provide the necessary funding to promote JDI's new growth strategy. INCJ and JDI have also reached a basic agreement for INCJ to transfer to JDI a portion of INCJ's shares in JOLED Inc. (JOLED), a company engaged in the development and commercialization of organic EL displays. INCJ and JDI aim to complete the transfer in H1 FY2017, after which JDI will consolidate JOLED as subsidiary.

The display industry is undergoing significant change, influenced by factors such as the rise of organic EL displays, display flexibility and the evolution of liquid crystal displays. The market is expected to grow further due to IoT, evolution in communication speed (5G) and expansion in automotive applications. Additionally, further technological innovation of displays is required in order to respond to diverse customer needs such as low power consumption, design freedom, short response times and the need for lightweight and thin displays.

JDI has been a leader in the display industry since its establishment in 2012. It has consistently innovated with cutting-edge technology, and this summer completed the development and practical application of "FULL ACTIVE" display. To maintain a competitive position in the industry going forward, further investment in technological innovation will be necessary.

INCJ has decided to provide further growth capital to support JDI's growth potential, which includes the development of proprietary printing organic EL display (printing OLED) technology held by future subsidiary JOLED.

In September 2016, JOLED began a pilot line for the printing OLED and is now at the stage

of considering its commercialization. INCJ recognizes that in order to accelerate the commercialization of the printing OLED, JOLED will need to further deepen its cooperation with JDI, a player in this industry. In light of this, INCJ will transfer a portion of its shares in JOLED to JDI in H1 FY2017. JDI will then consolidate JOLED as a subsidiary.

JDI and JOLED will aim to drive structural innovation in the display industry, pursuing technological innovation in the field of organic EL display through open business collaboration with optimal partners and the creation of new business models, and by providing packaged solutions of display-industry expertise and IP licensing that leverages the companies' high technological capabilities.

The display industry covers a broad area from materials and equipment to the manufacturers of the final product set. In Japan, having domestic display manufacturers with global competitiveness is considered to be of great social importance, particularly from the viewpoint of employment and maintaining component and peripheral technological abilities. JDI and JOLED possess the world's most advanced technology in the printing OLED flexible display, and the commercialization of these technologies and bringing innovative products to the market is of great significance to Japan as a technology-oriented nation. INCJ will continue to strongly support the development of the display industry in Japan.

About Japan Display Inc.

Established	April 2012
Business outline	Development, production and sale of small and medium-sized display devices and related products
Headquarters	Minato-ku, Tokyo
Representative	Aruga Shuji
URL	http://www.j-display.com/

About JOLED Inc.

Established	January 2015
Business outline	Research, development, manufacture and sale of organic EL display panels, as well as their parts, materials, manufacturing equipment and related products
Headquarters	Chiyoda-ku, Tokyo
Representative	Nobuhiro Higashiiriki
URL	http://www.j-oled.com/

About Innovation Network Corporation of Japan (INCJ)

INCJ was established in July 2009 as a public-private investment company that provides financial, technological and management support for next-generation businesses. INCJ specifically supports those projects that combine technologies and varied expertise across industries and materialize open innovation. INCJ has the capacity to invest up to JPY 2 trillion (approx. US\$20 billion).

INCJ's management team is drawn from the private sector with diverse experience in investment, technologies and management. Through its Innovation Network Committee, INCJ assesses investment opportunities that contribute to industrial innovation in Japan in line with criteria set by the government.

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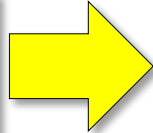
Target: Japan Display Inc.

Business Outline: Small- and medium- sized display business

Authorized Investment: 200 billion JPY (maximum) / 75 billion JPY (maximum)

Date of Announcement: August 31, 2011 / December 21, 2016

Partial disposal (sale) of shares announcement: March 19, 2014 (TSE Division 1)

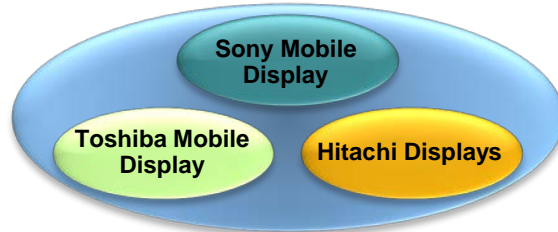


Investment
Management
Support

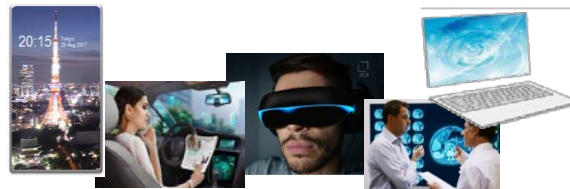


Japan Display Inc.

- Established in 2012 through business integration of 3 companies
- Listed on TSE First Section in 2014



Leading the display industry with world's most advanced display technology

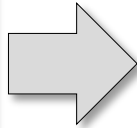


Changes in the display industry

- Major transformation with the rise of organic EL displays, flexibility of displays and progress of liquid crystal displays
- The market will continue strong growth going forward with IoT, the evolution of communications speed (5G) and expansion of its adoption for automotive use
- Requirement for technological advancement with displays capable of meeting various customer needs such as low power consumption, design freedom, high speed responses, lightweight, etc.

Promoting a new growth strategy

- Establishing organic EL display technology with evaporation systems and printing systems
- Further progress of next generation flexible display technology
- The world's most advanced printing system and organic EL display technology, JOLED to become a consolidated subsidiary
- Establish a new business model in the organic EL display field through an open business partnership with suitable partners by providing a package of high technology IP licensing and display production expertise



*At the time of establishment, INCJ held 70% shares and each parent company retained 10% of voting shares respectively

- An objective for technological innovation in the organic EL display field and the construction of a new business model
- Strong support for the development of the broad-based Japanese display-related industry and the innovation of its industrial structure