

Apple supplier Japan Display to build \$1.4 bn LCD screen factory

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Apple supplier Japan Display said Friday it would spend \$1.4 billion on a new smartphone and tablet screen factory, in a move that may be a response to growing demand from the US iPhone maker.

The plant, which is expected to produce 25,000 sheets of [liquid crystal displays](#) (LCD) a month, will be constructed in the central Japanese city of Hakusan at a cost of 170 billion yen (\$1.4 billion), the company said.

The plant, which would boost Japan Display's screen production by about 20 percent, is expected to start operating next year "to satisfy growing demand for ever-advancing displays", it said in a statement.

The announcement by one of the world's biggest smartphone and tablet screen makers came two weeks after a media report said it was mulling construction of a plant dedicated to supplying smartphone screens to Apple.

The report said Apple would shoulder a significant portion of the construction cost.

On Friday, a spokesperson for Japan Display was not immediately available to comment and the firm's statement said only that the new building would be financed by "cash flow and other receipts".

Government-backed Japan Display was launched in April 2012 from the integration of the display units of Sony, Toshiba and Hitachi.

While sales to Apple remain brisk, shipments to Sony and South Korea's Samsung have slowed because of competition from China.

Japan Display has warned that it expects a net loss of 12 billion yen in the fiscal year to March, reversing with an earlier forecast of a 26.8 billion net profit.

The firm's shares started trading in Tokyo last year after a \$3.2 billion [initial public offering](#).

On Friday the stock rose 1.7 percent to close at 476.0 yen.

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