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**Consolidated Financial Results**  
**for the Three Months Ended June 30, 2022**  
**[Japanese GAAP]**



July 27, 2022

Company name: Japan Aviation Electronics Industry, Limited  
Stock exchange listing: Tokyo Stock Exchange  
Code number: 6807  
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Scheduled date of filing quarterly securities report: August 5, 2022

Scheduled date of commencing dividend payments: –

Availability of supplementary explanatory materials on quarterly financial results: Available

Schedule of quarterly financial results briefing session: Not scheduled

(Amounts of less than one million yen are rounded down.)

**1. Consolidated Financial Results for the Three Months Ended June 30, 2022 (April 1, 2022 - June 30, 2022)**

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended June 30, 2022	56,452	7.4	5,225	45.0	7,749	115.4	5,853	118.3
June 30, 2021	52,542	21.2	3,604	—	3,598	—	2,681	—

(Note) Comprehensive income: Three months ended June 30, 2022: ¥10,131 million [256.7%]

Three months ended June 30, 2021: ¥2,840 million [—%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2022	64.32	64.29
June 30, 2021	29.48	29.47

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
As of June 30, 2022	231,764	166,256	71.7
As of March 31, 2022	225,343	157,887	70.0

(Reference) Equity: As of June 30, 2022: ¥166,125 million

As of March 31, 2022: ¥157,754 million

## 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2022	—	15.00	—	20.00	35.00
Fiscal year ended March 31, 2023	—				
Fiscal year ending March 31, 2023 (Forecast)		20.00	—	20.00	40.00

(Note) Revision to the forecast for dividends announced most recently: None

## 3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2023 (April 1, 2022 - March 31, 2023)

(% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
First half	123,000	9.8	10,000	8.4	12,000	34.1	9,000	32.6	98.89
Full year	—	—	—	—	—	—	—	—	—

(Note) Revision to the financial results forecast announced most recently: Yes

Due to the difficulty of forecasting at this time, the forecast for the full year has been withdrawn and undecided from our initial projection announced on April 27, 2022. For details, please refer to the “Announcement of Revisions to Financial Results Forecast” released today (July 27, 2022).

**\* Notes:**

- (1) Changes in significant subsidiaries during the period under review (changes in specified subsidiaries resulting in changes in scope of consolidation): None
- (2) Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements: Yes  
(Note) For details, please refer to “2. Quarterly Consolidated Financial Statements and Principal Notes (3) Notes to Quarterly Consolidated Financial Statements (Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)” on page 6 of the Attachments.
- (3) Changes in accounting policies, changes in accounting estimates and retrospective restatement
- 1) Changes in accounting policies due to the revision of accounting standards: None
  - 2) Changes in accounting policies other than 1) above: None
  - 3) Changes in accounting estimates: None
  - 4) Retrospective restatement: None
- (4) Total number of issued and outstanding shares (common shares)
- 1) Total number of issued and outstanding shares at the end of the period (including treasury shares):

June 30, 2022:	92,302,608 shares
March 31, 2022:	92,302,608 shares
  - 2) Total number of treasury shares at the end of the period:

June 30, 2022:	1,278,945 shares
March 31, 2022:	1,309,945 shares
  - 3) Average number of shares during the period:

Three months ended June 30, 2022:	91,004,913 shares
Three months ended June 30, 2021:	90,960,401 shares

\* These quarterly consolidated financial results are outside the scope of quarterly review by a certified public accountant or an audit firm.

\* Explanation of the proper use of performance forecast and other notes

The forward-looking statements concerning future financial results presented in this document are prepared based on the information currently available for the Company and certain preconditions which the Company believes to be reasonable at this time. Actual results may be substantially different from any projections presented herein due to various factors. Please refer to “Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information” on page 2 of the Attachments for the assumptions underlying the financial results forecasts and precautions when using the forecasts.

We will post the quarterly financial results explanatory materials on our website.

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## 1. Qualitative Information on Quarterly Financial Results

### (1) Explanation of Operating Results

The world economy during the three months ended June 30, 2022 saw rising inflation against the background of a rapid recovery from economic stagnation caused by expanding COVID-19 infections as well as surging resource prices due to growing geopolitical risks, and differing monetary policies around the world in response to the inflation caused large fluctuations in exchange rates. In China, lockdowns owing to the expansion of infections mainly in Shanghai resulted in stagnant production and logistics disruptions, leading to slumping consumption. Such developments in the global economy added to the uncertainty over the Japanese economy, including sluggish personal consumption due to the yen's sharp depreciation and soaring prices.

In the electronics market relevant to the Group, the industrial market enjoyed a steady demand for capital investment in Japan and abroad. However, we faced a harsh business environment, such as sluggish demand in the Chinese mobile device market as well as output cuts by automakers due to prolonged semiconductor shortages and supply chain disruptions in the automotive market.

Under these circumstances, the Group aimed to expand orders received and sales by conducting active global marketing centered on its flagship Connector Business and speeding up development activities for new products. At the same time, the Group strived to achieve higher business performance by streamlining management as a whole, including cost reduction through further expansion of in-house production, improvement in efficiency of equipment, and the curbing of various expenses.

As a result, for the three months ended June 30, 2022, the Group recorded net sales totaling ¥56,452 million (107% compared to the corresponding period of the previous year). On the profit side, we posted operating profit totaling ¥5,225 million (145% compared to the corresponding period of the previous year), ordinary profit totaling ¥7,749 million (215% compared to the corresponding period of the previous year), and profit attributable to owners of parent totaling ¥5,853 million (218% compared to the corresponding period of the previous year).

### (2) Explanation of Financial Position

Total assets at the end of the three months ended June 30, 2022 amounted to ¥231,764 million, marking an increase of ¥6,421 million from the end of the consolidated fiscal year ended March 31, 2022. The increase was attributable to an increase in inventories due to logistics slowdown caused by lockdowns mainly in Shanghai, China, as well as the yen's steep depreciation affecting the end-of-period valuation of assets denominated in foreign currencies held by overseas subsidiaries.

Total liabilities amounted to ¥65,507 million, marking a decrease of ¥1,947 million from the end of the consolidated fiscal year ended March 31, 2022, mainly due to a decrease in trade payables and the scheduled payment of borrowings.

Net assets amounted to ¥166,256 million, marking an increase of ¥8,368 million from the end of the consolidated fiscal year ended March 31, 2022, mainly due to the recording of profit attributable to owners of parent and an increase in foreign currency translation adjustment due to yen depreciation, improving the equity ratio by 1.7 percent points to 71.7%.

### (3) Explanation of Consolidated Financial Results Forecast and Other Forward-looking Information

We have revised the financial results forecast for the consolidated six months ending September 30, 2022, originally announced on April 27, 2022, because of anticipation of a steady demand in the industrial market in Japan and abroad and a continuing trend of yen depreciation. However, the forecast for the full year has been withdrawn and undecided from our initial projection announced on April 27, 2022, since we need to examine our plans for the second half of the fiscal year due to major changes in our business environment, including foreign exchange trends. For details, please refer to the "Announcement of Revisions to Financial Results Forecast" released today (July 27, 2022).

## 2. Quarterly Consolidated Financial Statements and Principal Notes

### (1) Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31, 2022	As of June 30, 2022
<b>Assets</b>		
Current assets		
Cash and deposits	65,559	61,061
Notes and accounts receivable - trade	43,166	46,439
Inventories	28,971	33,305
Other	6,381	6,490
Allowance for doubtful accounts	(46)	(47)
Total current assets	144,033	147,249
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	25,270	25,897
Machinery, equipment and vehicles, net	20,542	21,890
Tools, furniture and fixtures, net	8,538	9,920
Land	6,737	6,828
Construction in progress	6,578	5,819
Total property, plant and equipment	67,667	70,355
Intangible assets	2,608	2,584
Investments and other assets		
Deferred tax assets	3,935	4,171
Other	7,238	7,542
Allowance for doubtful accounts	(139)	(139)
Total investments and other assets	11,035	11,574
Total non-current assets	81,310	84,514
Total assets	225,343	231,764

(Million yen)

	As of March 31, 2022	As of June 30, 2022
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	31,119	30,003
Short-term borrowings	9,614	9,614
Income taxes payable	2,784	2,510
Provision for bonuses for directors (and other officers)	110	35
Other	13,438	13,739
Total current liabilities	57,065	55,902
Non-current liabilities		
Long-term borrowings	7,802	6,702
Retirement benefit liability	950	965
Other	1,636	1,938
Total non-current liabilities	10,389	9,605
Total liabilities	67,455	65,507
<b>Net assets</b>		
Shareholders' equity		
Share capital	10,690	10,690
Capital surplus	14,604	14,640
Retained earnings	126,248	130,281
Treasury shares	(998)	(974)
Total shareholders' equity	150,544	154,637
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	925	914
Foreign currency translation adjustment	5,515	9,876
Remeasurements of defined benefit plans	768	697
Total accumulated other comprehensive income	7,210	11,488
Share acquisition rights	133	130
Total net assets	157,887	166,256
Total liabilities and net assets	225,343	231,764

(2) Quarterly Consolidated Statements of Income and Comprehensive Income  
Quarterly Consolidated Statements of Income  
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Net sales	52,542	56,452
Cost of sales	43,096	45,227
Gross profit	9,445	11,225
Selling, general and administrative expenses	5,841	5,999
Operating profit	3,604	5,225
Non-operating income		
Interest income	11	11
Dividend income	85	89
Foreign exchange gains	—	2,478
Other	97	53
Total non-operating income	194	2,633
Non-operating expenses		
Interest expenses	28	23
Loss on retirement of non-current assets	98	71
Foreign exchange losses	62	—
Other	11	15
Total non-operating expenses	200	110
Ordinary profit	3,598	7,749
Profit before income taxes	3,598	7,749
Income taxes - current	938	1,967
Income taxes - deferred	(21)	(71)
Total income taxes	917	1,895
Profit	2,681	5,853
Profit attributable to owners of parent	2,681	5,853

Quarterly Consolidated Statements of Comprehensive Income  
Three Months Ended June 30

(Million yen)

	For the three months ended June 30, 2021	For the three months ended June 30, 2022
Profit	2,681	5,853
Other comprehensive income		
Valuation difference on available-for-sale securities	(48)	(11)
Foreign currency translation adjustment	213	4,360
Remeasurements of defined benefit plans, net of tax	(6)	(71)
Total other comprehensive income	159	4,277
Comprehensive income	2,840	10,131
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,840	10,131
Comprehensive income attributable to non-controlling interests	—	—



(3) Notes to Quarterly Consolidated Financial Statements

(Notes on going concern assumption)

Not applicable.

(Notes in case of significant changes in shareholders' equity)

Not applicable.

(Accounting methods adopted particularly for the preparation of quarterly consolidated financial statements)

(Calculation of tax expenses)

For calculation of tax expenses, we adopt a method whereby the effective tax rate for the profit before income taxes for the fiscal year ending March 31, 2023, after the application of tax effect accounting is reasonably estimated, and the quarterly profit before income taxes is multiplied by such effective tax rate.

However, in cases where calculating tax expenses using the reasonably estimated effective tax rate yields a result that is notably lacking rationality, tax expenses are calculated using the statutory effective tax rate.

(Segment information, etc.)

[Segment information]

For the three months ended June 30, 2021 (from April 1, 2021 to June 30, 2021)

Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	User Interface Solutions Business	Aerospace Business				
Net sales							
Mobile devices	20,552	—	—	—	20,552	—	20,552
Automotive	19,189	1,799	423	—	21,411	—	21,411
Industrial and infrastructure	5,750	941	1,364	—	8,056	—	8,056
Others	1,534	—	797	191	2,523	—	2,523
Revenue from contracts with customers	47,025	2,740	2,584	191	52,542	—	52,542
Total	47,025	2,740	2,584	191	52,542	—	52,542
Segment income (loss) (Note 1)	4,681	100	(81)	69	4,770	(1,165)	3,604

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥1,165 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.

For the three months ended June 30, 2022 (from April 1, 2022 to June 30, 2022)

Information on net sales and income (loss) by reportable segment

(Million yen)

	Reportable segment			Others (Note 2)	Total	Adjustment	Amount recorded in Quarterly Consolidated Statements of Income
	Connector Business	User Interface Solutions Business	Aerospace Business				
Net sales							
Mobile devices	22,498	—	—	—	22,498	—	22,498
Automotive	18,139	1,674	270	—	20,083	—	20,083
Industrial and infrastructure	6,863	1,228	2,683	—	10,775	—	10,775
Others	2,007	—	863	225	3,095	—	3,095
Revenue from contracts with customers	49,508	2,902	3,817	225	56,452	—	56,452
Total	49,508	2,902	3,817	225	56,452	—	56,452
Segment income (Note 1)	5,722	180	534	59	6,496	(1,270)	5,225

(Notes) 1. Segment income (loss) represents the operating profit (loss) in the quarterly consolidated statements of income. However, ¥1,270 million in general and administrative expenses such as headquarters staff expenses, which is difficult to allocate to each reportable segment, is included in the adjustment.

2. The “Others” classification is a business segment that is not included in any reportable segments and includes the sale of other goods and the service business.