

Technology to Inspire Innovation

Financial Results for 1Q FY2018

July 25, 2018

6807 Japan Aviation Electronics industry, Ltd.

Net Sales and Incomes

(JPY in 100 millions)

3 months ended	1Q FY2017	4Q FY2017	1Q FY2018	Year/Year Change		Sequential Change	
	Jun 30, 2017	Mar 31, 2018	Jun 30, 2018	1QFY2018/1QFY2017		1QFY2018/4QFY2017	
Net Sales	594	617	562	-33	95%	-56	91%
Operating Income to Net Sales	40 6.8%	45 7.2%	42 7.5%	2	104%	-2	95%
Ordinary Income to Net Sales	38 6.4%	23 3.8%	55 9.9%	17	145%	32	238%
Net Income to Net Sales	28 4.7%	20 3.2%	41 7.2%	13	145%	21	207%

Average Exchange Rate (JPY/USD)	111.1	108.2	109.1	-2.0	0.9
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Net Sales by Market Segment

(JPY in 100 millions)

3 months ended	1QFY2017		4QFY2017		1QFY2018		Year/Year Change		Sequential Change	
	Jun 30, 2017		Mar 31, 2018		Jun 30, 2018		1QFY2018/1QFY2017		1QFY2018/4QFY2017	
Mobile Devices	330	Component Ratio 55%	301	Component Ratio 49%	264	Component Ratio 47%	-66	80%	-37	88%
Automotive	164	28%	186	30%	186	33%	22	113%	0	100%
Industrial & Infrastructure	73	12%	91	15%	86	15%	13	118%	-5	94%
Others	28	5%	39	6%	25	4%	-2	91%	-13	65%
Total	594	100%	617	100%	562	100%	-33	95%	-56	91%

Domestic Sales	144	24%	181	29%	164	29%	20	114%	-17	90%
Overseas Sales	450	76%	436	71%	398	71%	-52	88%	-38	91%

Net Sales by Business Segment

(JPY in 100 millions)

3 months ended	1QFY2017		4QFY2017		1QFY2018		Year/Year Change		Sequential Change	
	Jun 30, 2017		Mar 31, 2018		Jun 30, 2018		1QFY2018/1QFY2017		1QFY2018/4QFY2017	
		Component Ratio		Component Ratio		Component Ratio				
Connector	550	93%	547	89%	509	91%	-42	92%	-38	93%
UIS	21	4%	22	4%	22	4%	1	104%	0	99%
Aerospace	21	4%	46	7%	29	5%	8	137%	-17	63%
Others	2	0%	2	0%	2	0%	0	113%	0	100%
Total	594	100%	617	100%	562	100%	-33	95%	-56	91%

Operating Income by Business Segment

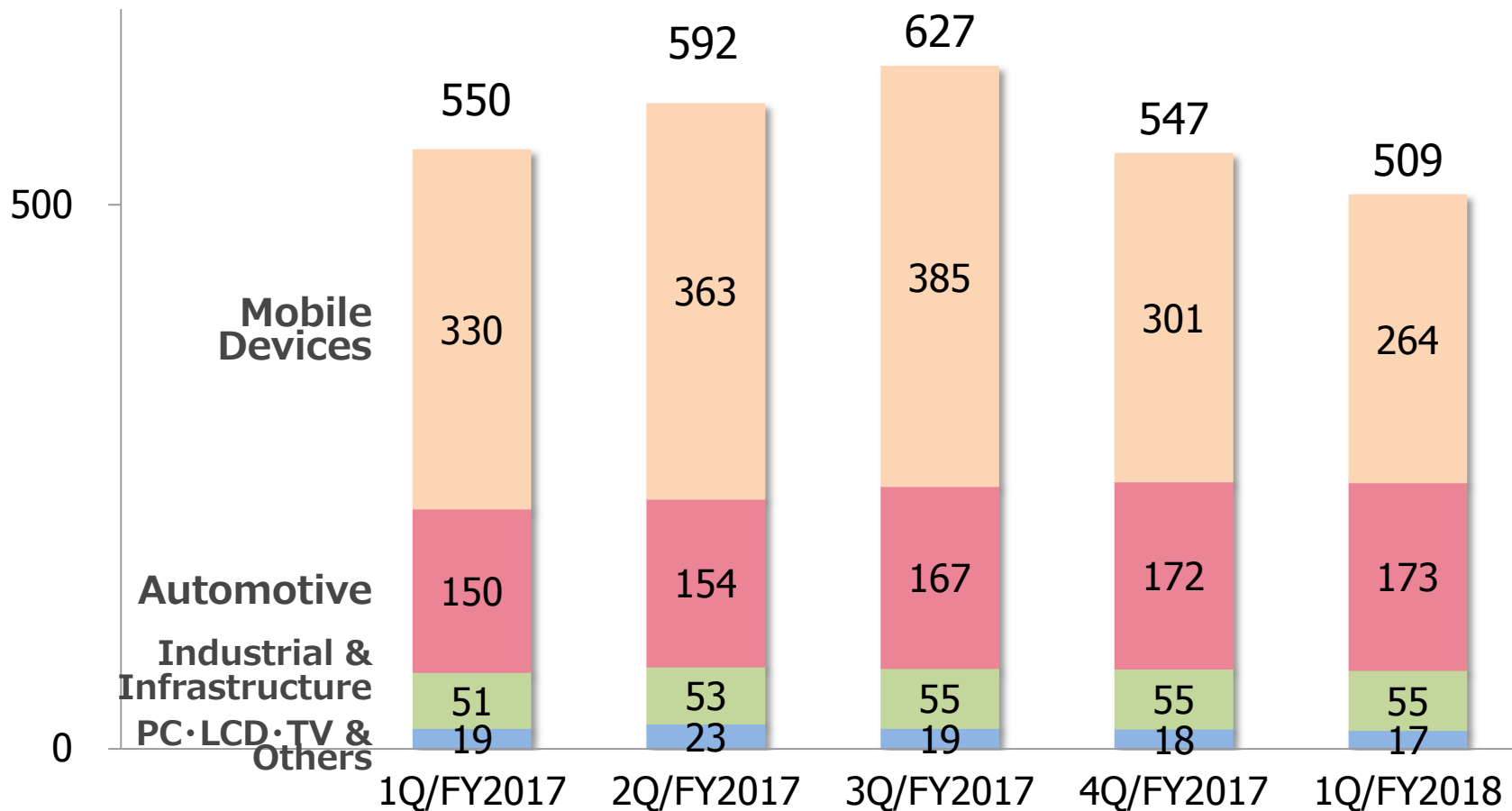
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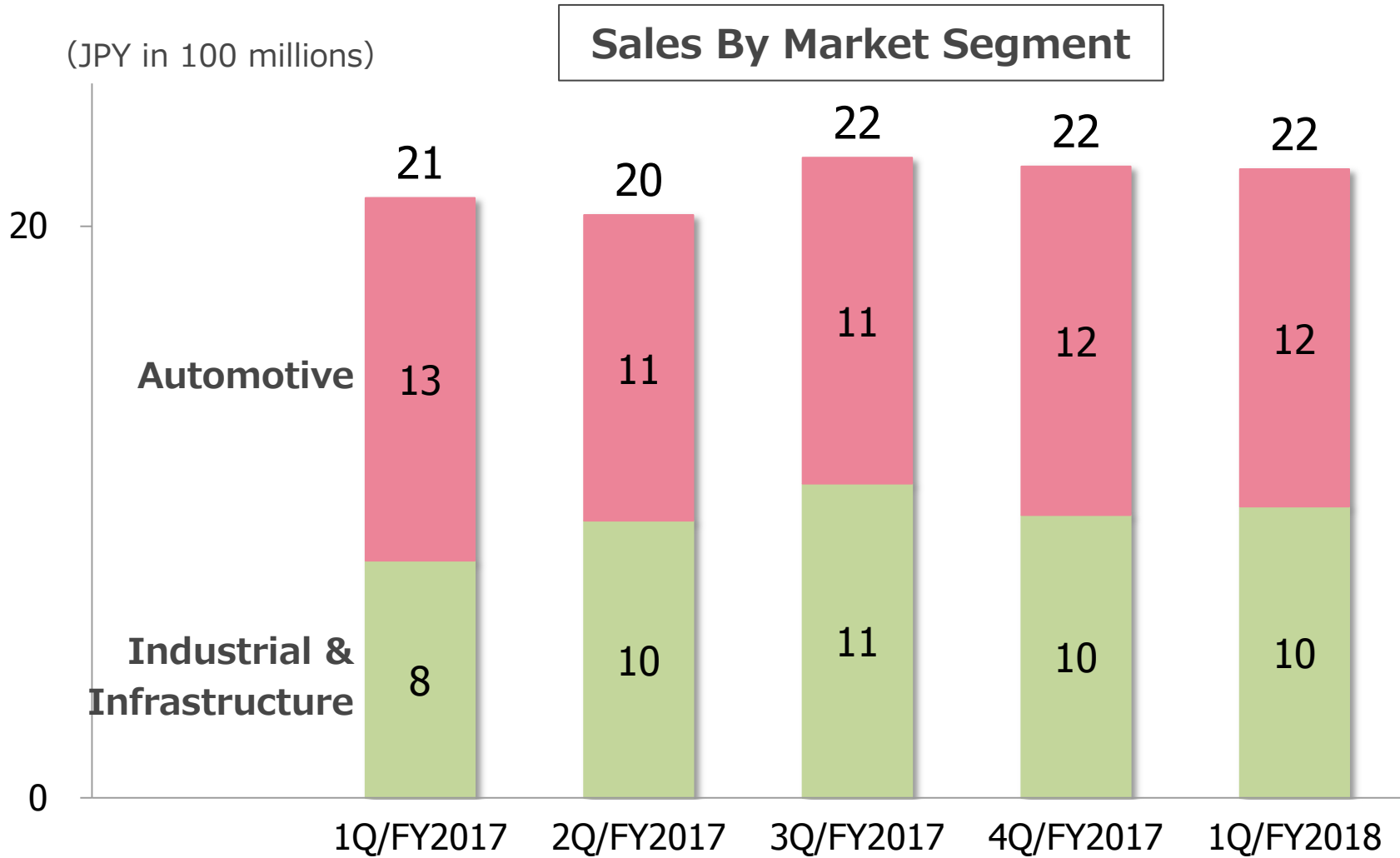
(JPY in 100 millions)

3 months ended	1QFY2017 Jun 30, 2017	4QFY2017 Mar 31, 2018	1QFY2018 Jun 30, 2018	Year/Year Change 1QFY2018/1QFY2017	Sequential Change 1QFY2018/4QFY2017
Connector	50 9.1%	46 8.5%	47 9.3%	-3	1
UIS	2 10.5%	2 8.4%	2 10.4%	0	0
Aerospace	-2 -7.9%	6 13.4%	3 10.1%	5	-3
Unallocatable cost/Others	-10	-10	-10	0	0
Total	40 6.8%	45 7.2%	42 7.5%	2	-2

(JPY in 100 millions)

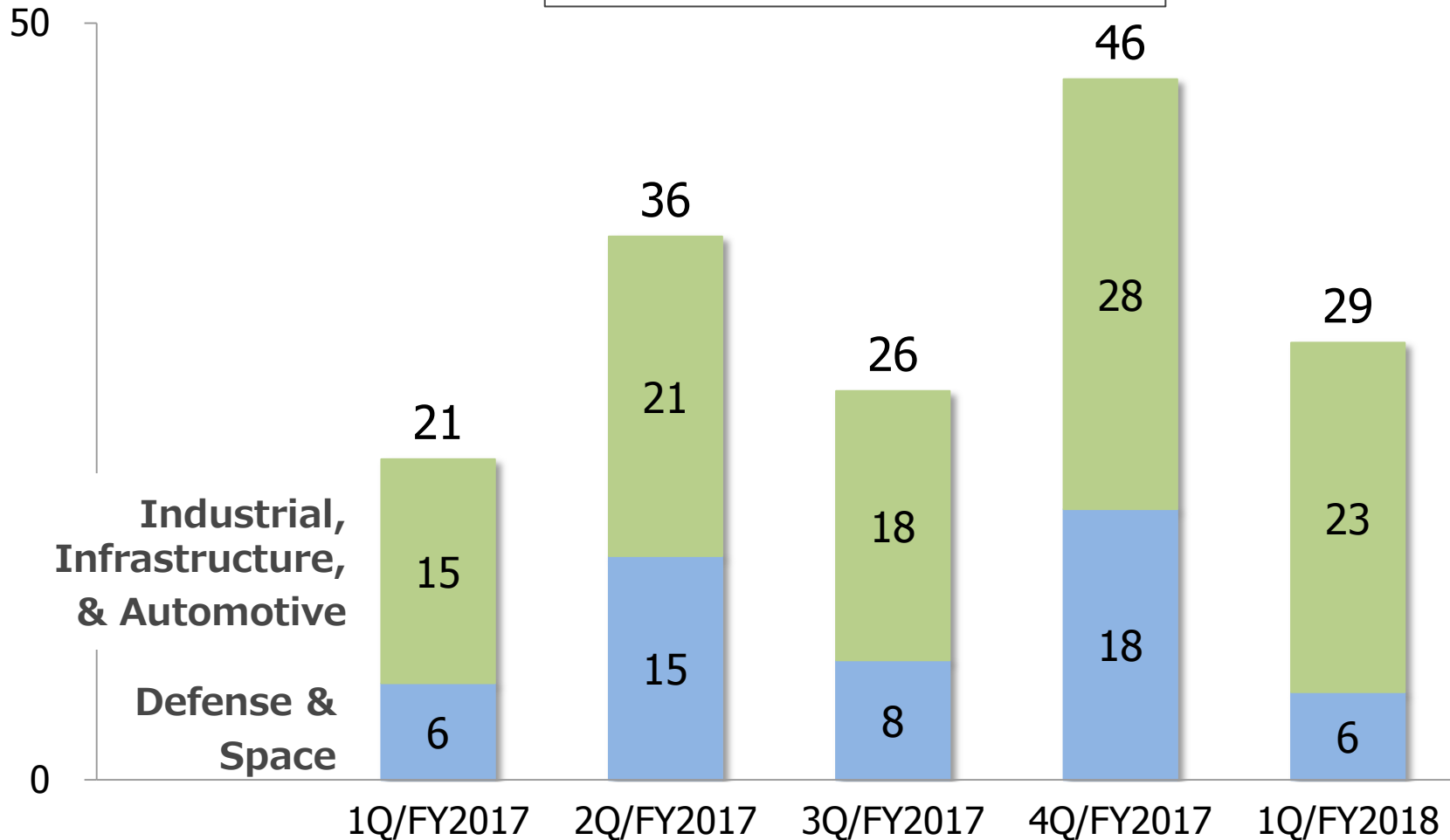
Sales By Market Segment



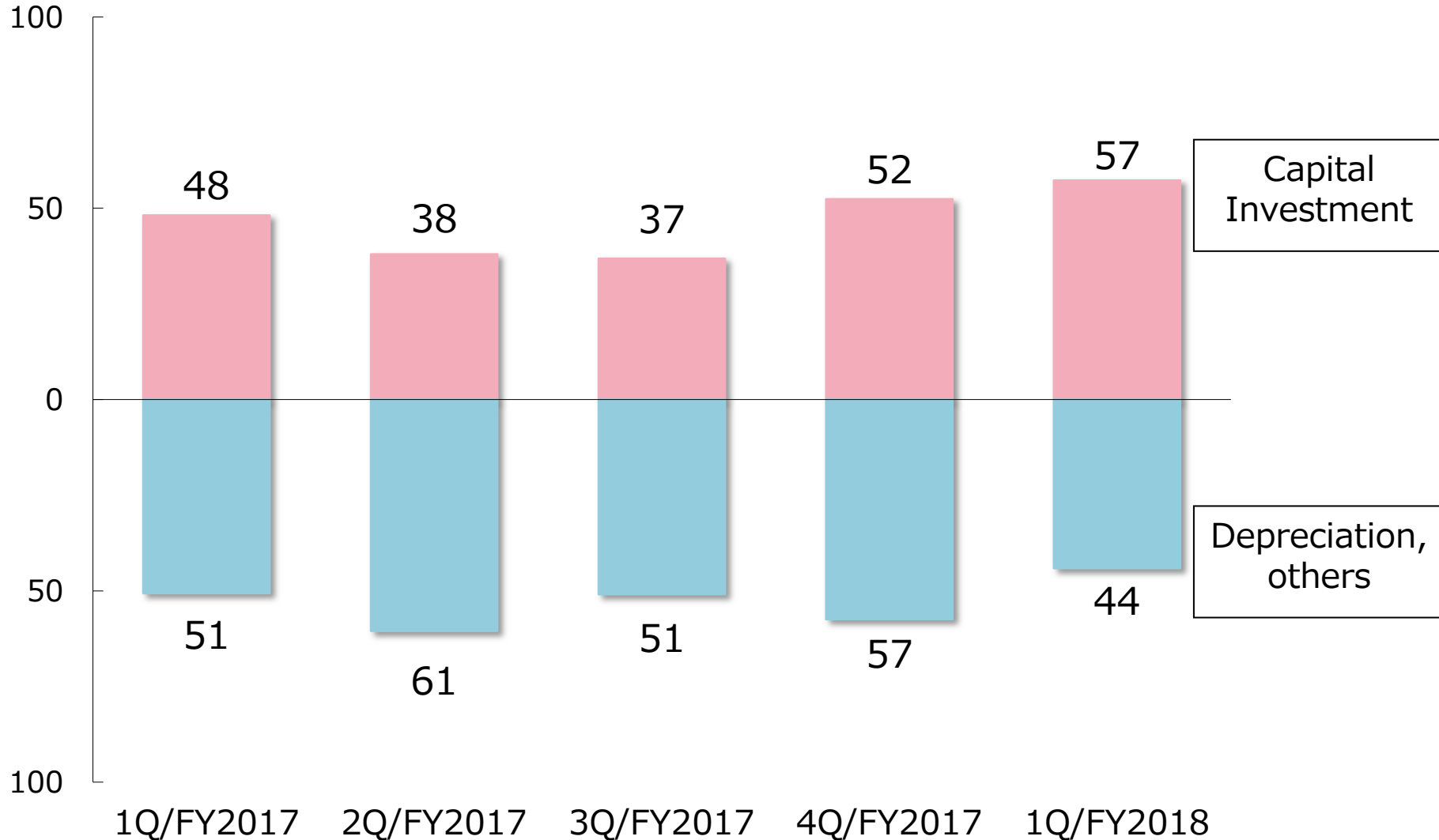


Sales By Market Segment

(JPY in 100 millions)



(JPY in 100 millions)



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JAE



<Cautionary Statement>

The plans, strategies & results forecasts and targets for our company and our consolidated affiliates (hereinafter JAE) noted in these materials are forecasts and targets as of July 25, 2018, and include risks and uncertainties.

The targets noted in these materials are not projections, and do not reflect current projections by the management team with regards to future results. Rather, these are targets to be attained by the management team through implementing business strategies.

Note that actual results may differ greatly from forecasts and targets, etc. based on various factors. Major factors that affect actual business results, etc. are the political and economic situations in Japan, the US, Asia and so forth that involve regions where JAE conducts business operations, demand fluctuations for JAE products (including software products) in the market, deflationary pressures caused by severe competition, the ability to continue supplying over our competitors, the ability to expand business operations in overseas markets, changes to the laws and regulations concerning business activities, and their transparency, potential legal responsibilities, exchange rates, etc, and there may be other factors beyond the ones listed here. Actual results may differ from management targets and other forecasts due to a worsening global economy and the global financial situation, stagnation in the domestic and overseas stock markets, etc. Note that descriptions concerning projections are current as of that day.

Although new risks and factors of uncertainty that occur at any anytime are evident, it is impossible to predict their occurrence or effects. In addition, details describing future predictions may not actually occur due to risk and uncertainties. Do not rely solely on these descriptions.

※ Amounts less than 100 million JPY are rounded off.