

Technology to Inspire Innovation

Financial Results for 3Q FY2019

January 28, 2020

6807 Japan Aviation Electronics industry, Ltd.

Net Sales and Incomes

(JPY in 100 millions)

| | 3Q FY2018 | 3Q FY2019 | Year/Year | | 3Q FY2018 | 3Q FY2019 | Year/Year | |
|---|--------------------|--------------------|-------------|-----|--------------------|-------------------|------------|-----|
| | 9 months ended | 9 months ended | Change | | 3 months ended | 3 months ended | Change | |
| | Dec 31, 2018 | Dec 31, 2019 | 9 months | | Dec 31, 2018 | Dec 31, 2019 | 3 months | |
| Net Sales | 1,784 | 1,571 | -213 | 88% | 604 | 563 | -41 | 93% |
| Operating Income to Net Sales | 155 8.7% | 111 7.1% | -44 | 72% | 61 10.1% | 39 7.0% | -22 | 64% |
| Ordinary Income to Net Sales | 163 9.1% | 112 7.1% | -50 | 69% | 57 9.4% | 39 6.8% | -18 | 68% |
| Net Income to Net Sales | 118 6.6% | 87 5.6% | -31 | 74% | 41 6.8% | 29 5.1% | -13 | 69% |
| Average Exchange Rate (JPY/USD) | 111.1 | 108.7 | | | 112.9 | 108.8 | | |

※ Amounts less than 100 million JPY are rounded off.

Net Sales by Market Segment

(JPY in 100 millions)

| | 3Q FY2018 | 3Q FY2019 | Year/Year | | 3Q FY2018 | 3Q FY2019 | Year/Year | |
|-----------------------------|----------------|----------------|-------------|------------|----------------|----------------|------------|------------|
| | 9 months ended | 9 months ended | Change | | 3 months ended | 3 months ended | Change | |
| | Dec 31, 2018 | Dec 31, 2019 | 9 months | | Dec 31, 2018 | Dec 31, 2019 | 3 months | |
| Mobile Devices | 886 | 767 | -119 | 87% | 304 | 290 | -14 | 95% |
| Automotive | 557 | 526 | -31 | 94% | 188 | 183 | -5 | 97% |
| Industrial & Infrastructure | 252 | 202 | -50 | 80% | 81 | 65 | -16 | 80% |
| Others | 88 | 76 | -12 | 86% | 31 | 26 | -5 | 82% |
| Total | 1,784 | 1,571 | -213 | 88% | 604 | 563 | -41 | 93% |
| Domestic Sales | 498 | 448 | -50 | 90% | 166 | 151 | -15 | 91% |
| Overseas Sales | 1,286 | 1,123 | -163 | 87% | 438 | 412 | -26 | 94% |

※ Amounts less than 100 million JPY are rounded off.

Net Sales by Business Segment

(JPY in 100 millions)

| | 3Q FY2018 | 3Q FY2019 | Year/Year | | 3Q FY2018 | 3Q FY2019 | Year/Year | |
|--------------|----------------|----------------|-------------|------------|----------------|----------------|------------|------------|
| | 9 months ended | 9 months ended | Change | | 3 months ended | 3 months ended | Change | |
| | Dec 31, 2018 | Dec 31, 2019 | 9 months | | Dec 31, 2018 | Dec 31, 2019 | 3 months | |
| Conenector | 1,603 | 1,399 | -205 | 87% | 541 | 508 | -33 | 94% |
| UIS | 63 | 62 | -1 | 98% | 20 | 23 | 3 | 117% |
| Aerospace | 111 | 106 | -6 | 95% | 41 | 31 | -11 | 74% |
| Others | 7 | 5 | -1 | 81% | 2 | 2 | -0 | 82% |
| Total | 1,784 | 1,571 | -213 | 88% | 604 | 563 | -41 | 93% |

※ Amounts less than 100 millions JPY are rounded off.

Operating Income by Business Segment

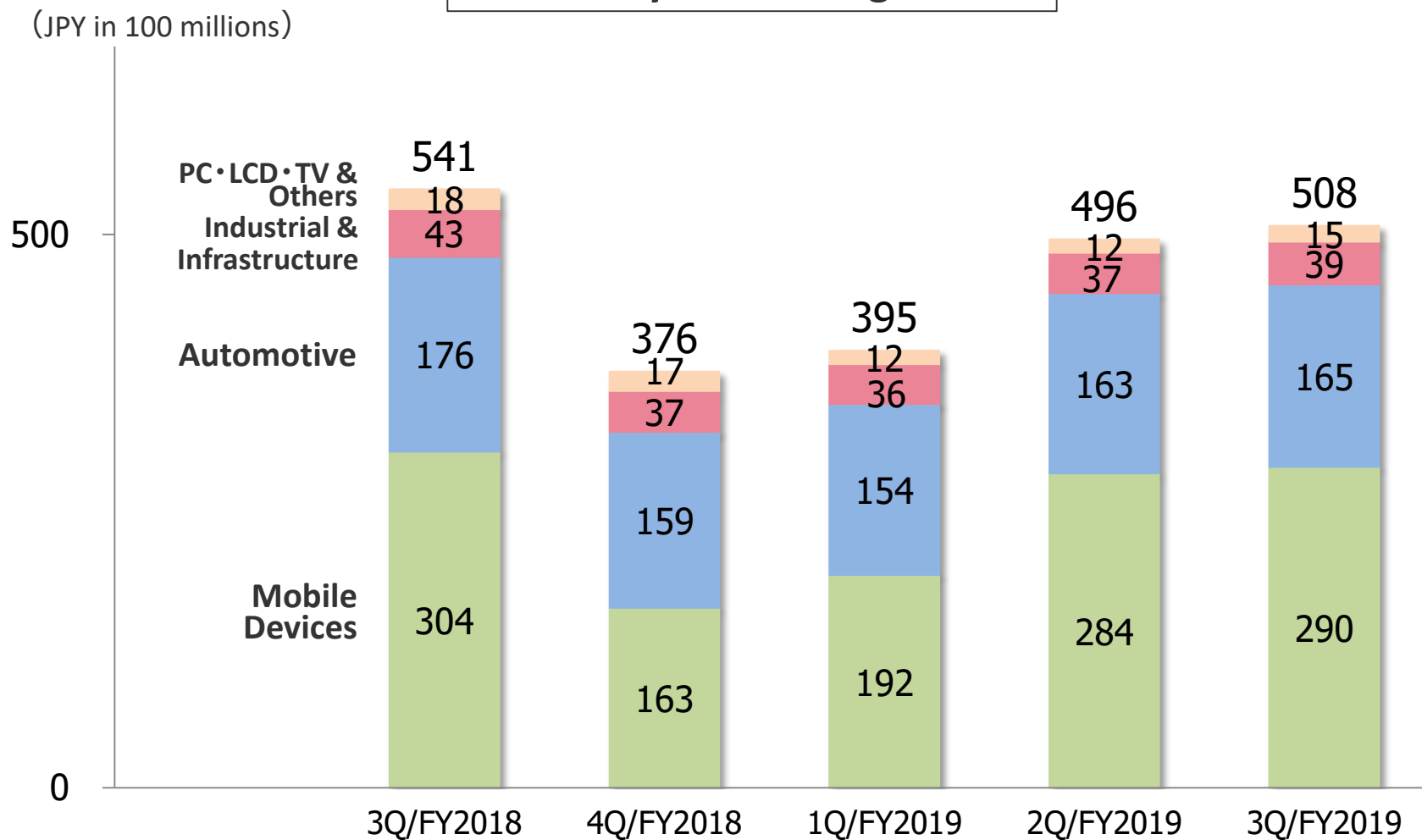
(JPY in 100 millions)

| | 3Q FY2018 9 months ended Dec 31, 2018 | 3Q FY2019 9 months ended Dec 31, 2019 | Year/Year Change 9 months | 3Q FY2018 3 months ended Dec 31, 2018 | 3Q FY2019 3 months ended Dec 31, 2019 | Year/Year Change 3 months |
|-----------------------------------|---|---|---------------------------------|---|---|---------------------------------|
| Connector | 171 10.6% | 136 9.7% | -35 | 65 12.0% | 51 10.0% | -14 |
| UIS | 4 6.5% | -4 -7.1% | -8 | 1 3.2% | -2 -10.6% | -3 |
| Aerospace | 13 11.6% | 11 10.8% | -2 | 6 14.5% | 1 3.8% | -5 |
| Unallocatable costs/Others | -33 | -32 | 1 | -10 | -10 | 0 |
| Total | 155 8.7% | 111 7.1% | -44 | 61 10.1% | 39 7.0% | -22 |

※ Percentages(%) for 3QFY2017 & 3QFY2018 indicate Operating Income to Net Sales Ratios.

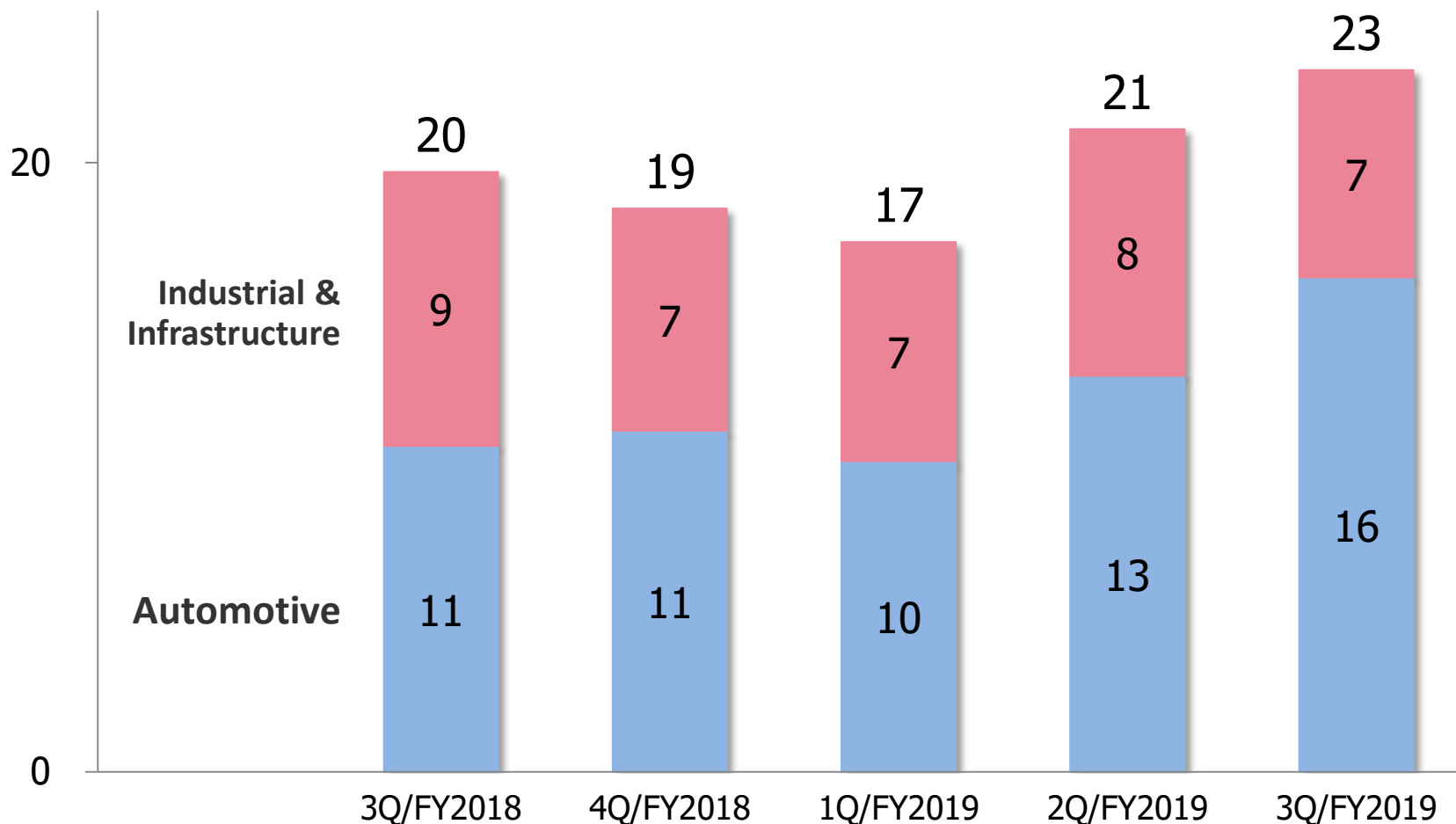
※ Amounts less than 100 million yen are rounded off.

Sales By Market Segment

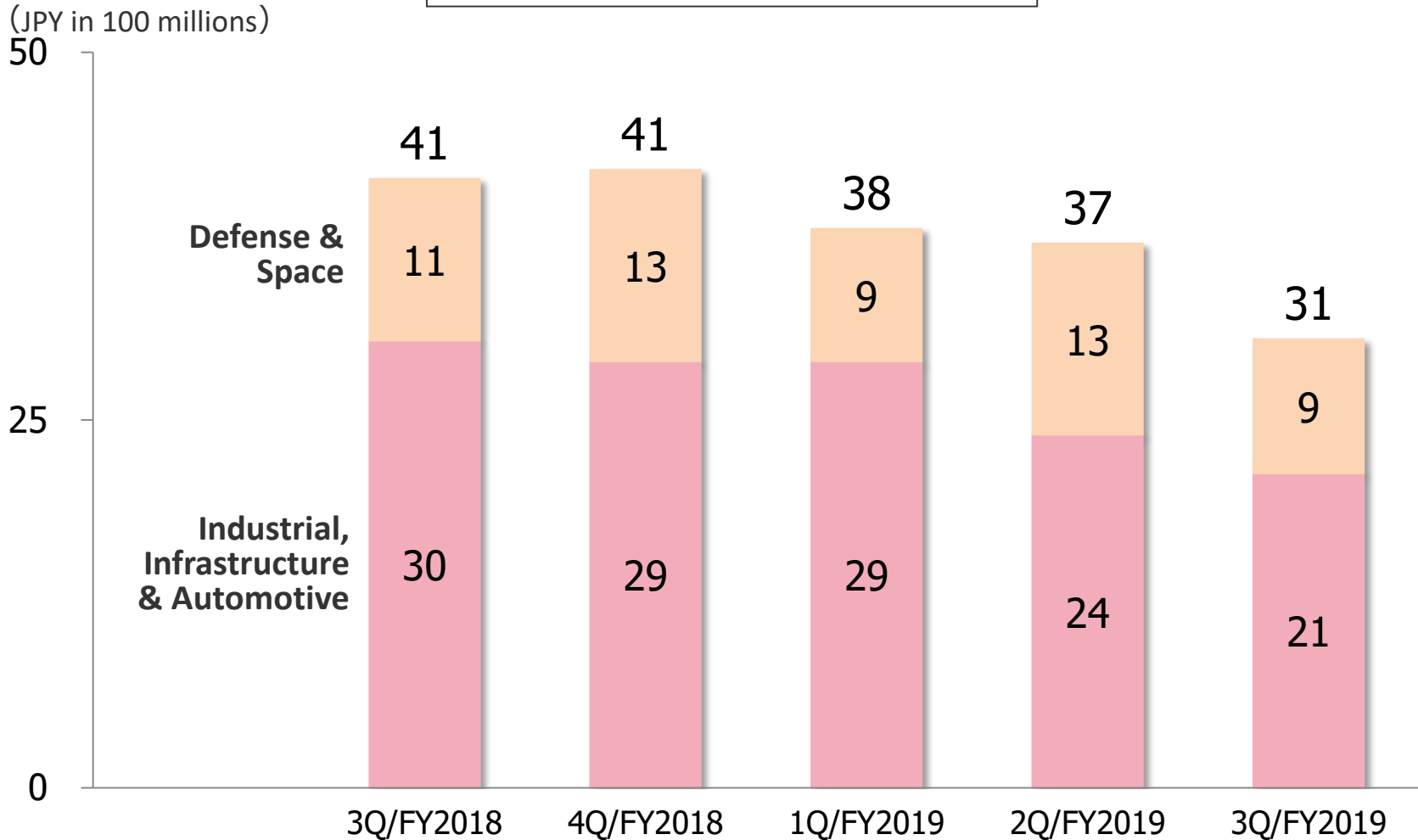


Sales By Market Segment

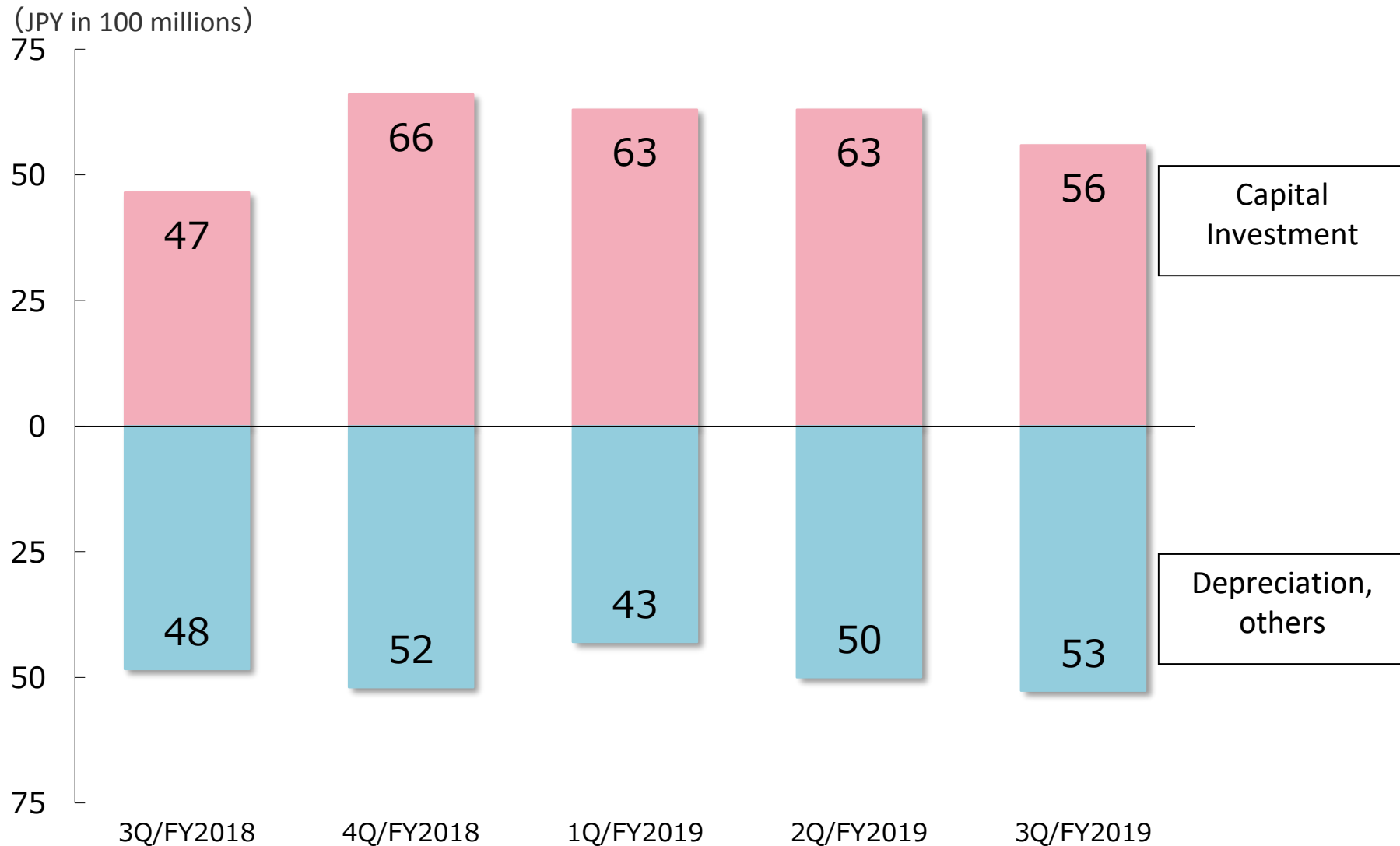
(JPY in 100 millions)



Sales By Market Segment



Capital Investment & Depreciation



Technology to Inspire Innovation



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 January 28, 2020, 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.