

Financial Results for Q3 FY2020

Technology to Inspire Innovation

January 27, 2021

6807 Japan Aviation Electronics industry, Ltd.

Net Sales and Incomes

(JPY in 100 millions)

	Q3 FY2019 9 months ended Dec 31, 2019	Q3 FY2020 9 months ended Dec 31, 2020	Year/Year Change 9 months	
Net Sales	1,571	1,524	-47	97%
Operating Income	110.0	43.4	-66.6	39%
to Net Sales	7.0%	2.9%		
Ordinary Income	111.3	36.3	-75.0	33%
to Net Sales	7.1%	2.4%		
Net Income	86.7	23.8	-62.8	27%
to Net Sales	5.5%	1.6%		

Average Exchange Rate (JPY/USD)	108.7	106.1
---------------------------------	-------	-------

Capital Investment	182	135
Depreciation, others	146	151

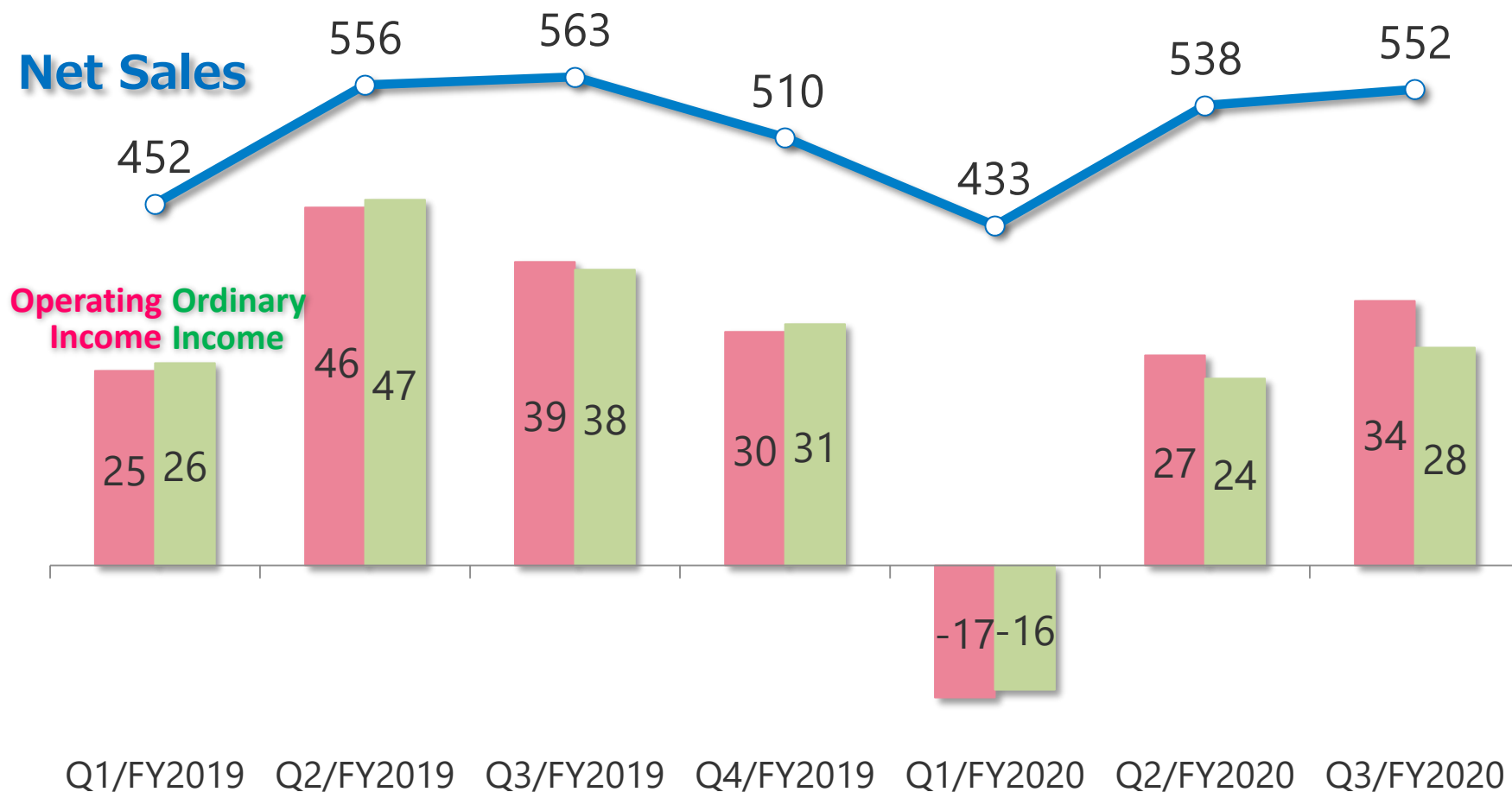
	Q3 FY2019 3 months ended Dec 31, 2019	Q3 FY2020 3 months ended Dec 31, 2020	Year/Year Change 3 months	
	563	552	-11	98%
	39.0	34.3	-4.7	88%
	6.9%	6.2%		
	38.2	28.4	-9.8	74%
	6.8%	5.2%		
	28.4	19.5	-9.0	68%
	5.0%	3.5%		

	108.8	104.5
--	-------	-------

56	39
53	54

Net Sales and Incomes

(JPY in 100 millions)



Net Sales by Market Segment

	Q3 FY2019 9 months ended Dec 31, 2019	Q3 FY2020 9 months ended Dec 31, 2020
Mobile Devices	767	752
Automotive	526	497
Industrial & Infrastructure	202	198
Others	76	76
Total	1,571	1,524

Year/Year
Change
9 months

-14 98%
-29 95%
-4 98%
-0 100%
-47 97%

	Q3 FY2019 3 months ended Dec 31, 2019	Q3 FY2020 3 months ended Dec 31, 2020
	290	258
	183	208
	65	65
	26	20
	563	552

Year/Year
Change
3 months

-32 89%
25 114%
1 101%
-6 78%
-11 98%

Domestic Sales	448	455
Overseas Sales	1,123	1,069

7 101%
-54 95%

	151	165
	412	387

14 109%
-25 94%

Net Sales by Business Segment

(JPY in 100 millions)

	Q3 FY2019 9 months ended Dec 31, 2019	Q3 FY2020 9 months ended Dec 31, 2020
Conenector	1,399	1,354
UIS	62	72
Aerospace	106	93
Others	5	5
Total	1,571	1,524

Year/Year
Change
9 months

-45 97%

11 117%

-13 88%

-1 90%

-47 97%

	Q3 FY2019 3 months ended Dec 31, 2019	Q3 FY2020 3 months ended Dec 31, 2020
	508	498
	23	27
	31	26
	2	2
	563	552

Year/Year
Change
3 months

-10 98%

4 116%

-5 84%

-0 84%

-11 98%

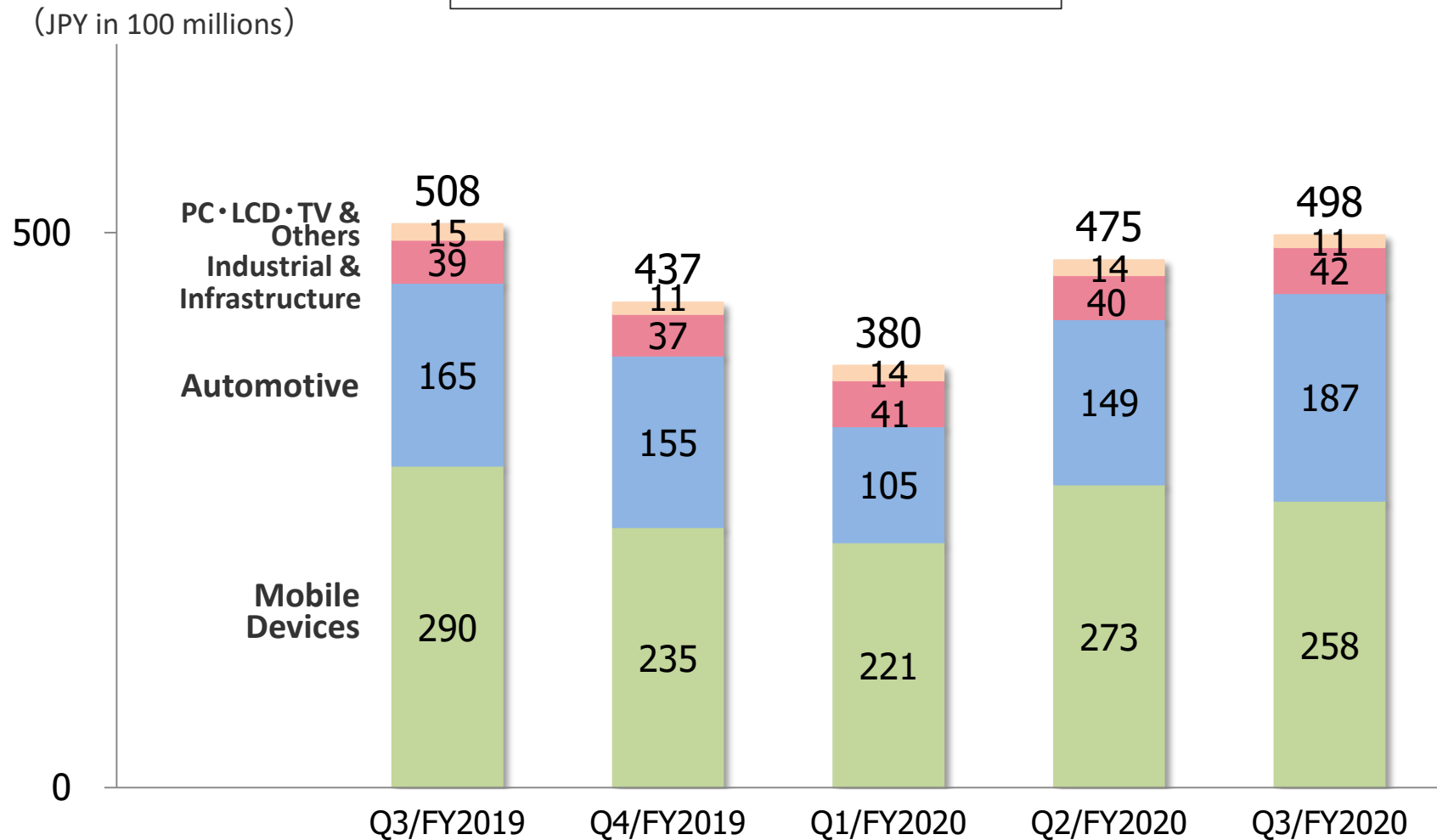
Operating Income by Business Segment

(JPY in 100 millions)

	Q3 FY2019 9 months ended Dec 31, 2019	Q3 FY2020 9 months ended Dec 31, 2020	Year/Year Change 9 months	Q3 FY2019 3 months ended Dec 31, 2019	Q3 FY2019 3 months ended Dec 31, 2019	Year/Year Change 3 months
Connector	135.3 9.7%	69.9 5.2%	-65.4	50.6 10.0%	43.8 8.8%	-6.9
UIS	-4.4 -7.1%	0.1 0.1%	4.4	-2.5 -10.6%	0.5 1.9%	3.0
Aerospace	10.4 9.8%	2.1 2.2%	-8.3	0.8 2.7%	-0.5 -1.8%	-1.3
Unallocatable costs/Others	-31.3	-28.6	2.7	-10.0	-9.5	0.5
Total	110.0 7.0%	43.4 2.9%	-66.6	39.0 6.9%	34.3 6.2%	-4.7

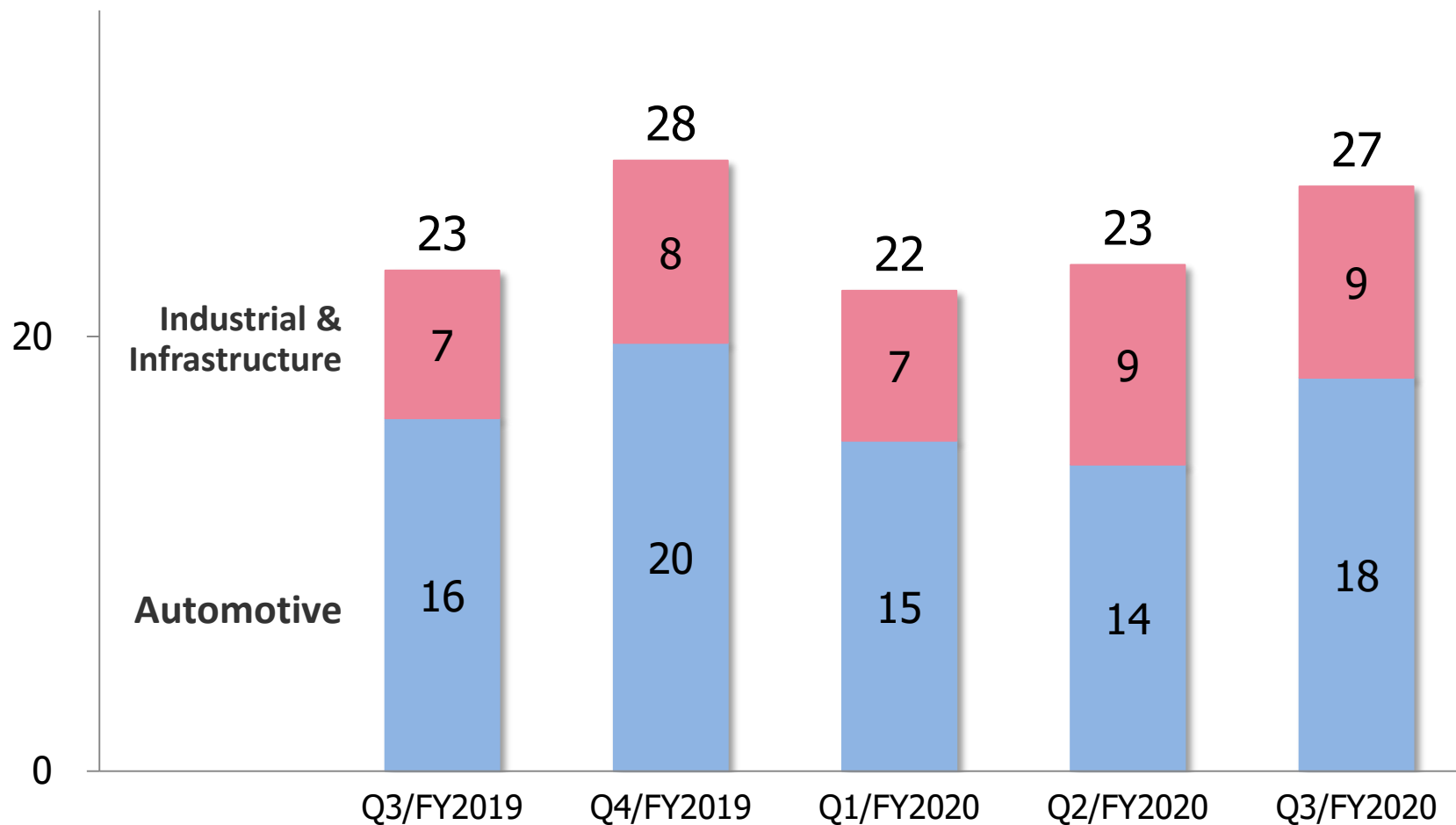
※ Percentages(%) for Q3 FY2019 & Q3 FY2020 indicate Operating Income to Net Sales Ratios.

Sales By Market Segment

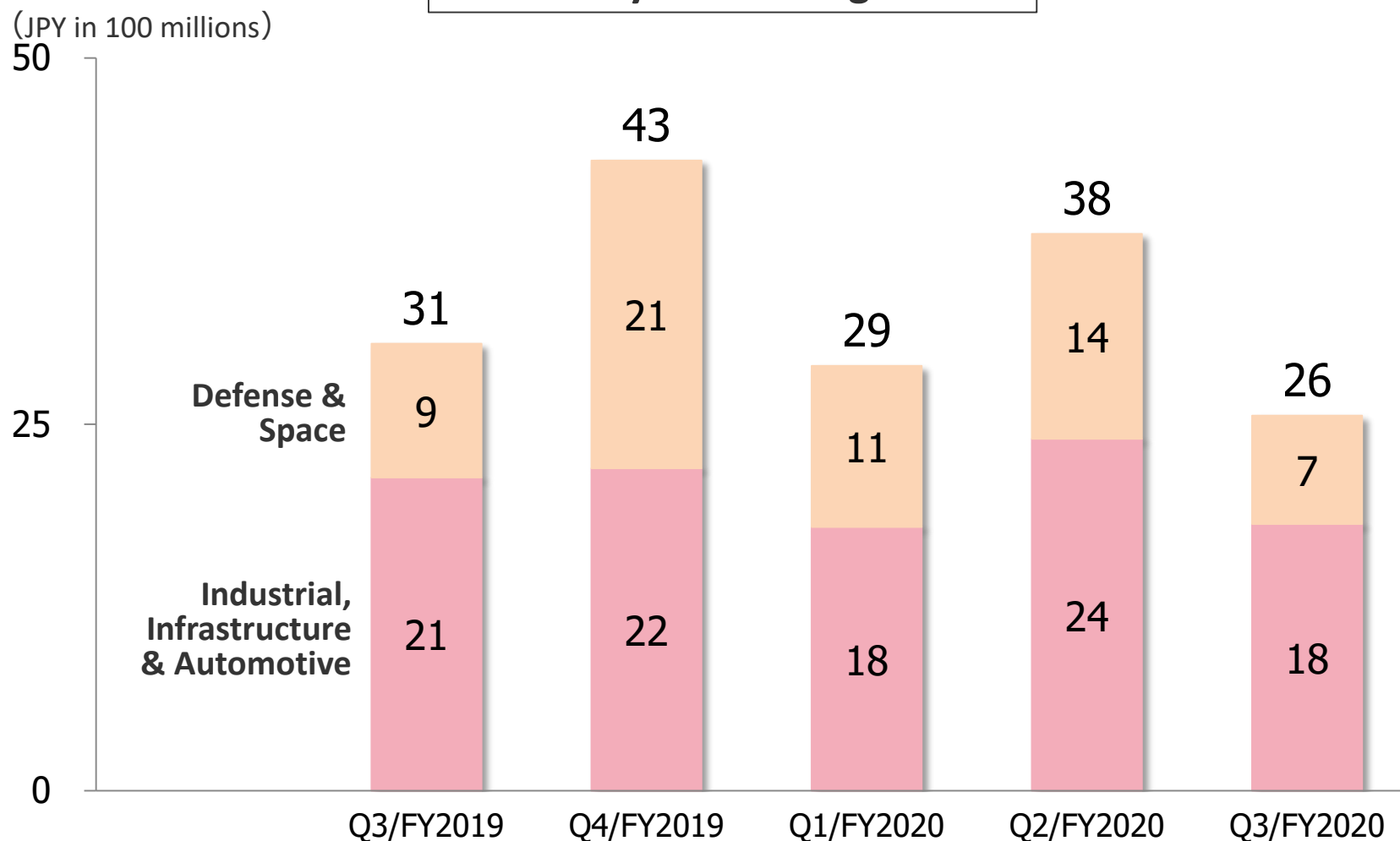


Sales By Market Segment

(JPY in 100 millions)



Sales By Market Segment



Revision of Projections for FY2020

- ▶ Full-year consolidated earnings forecast has been revised based on Company's performance up to Q3 and the current demand forecasts

(JPY in 100 millions)

	FY2019	Revised Projections for FY2020			Change from Previous Projections	FY2020 Projections (announced Oct, 2020)
		FY2020	Year/Year Change			
Net Sales	2,081	2,070	-11	99%	140	1,930
Operating Income <div>to Net Sales6.7%</div>	140.2	70.0 3.4%	-70.2	50%	10.0	60.0 3.1%
Ordinary Income <div>to Net Sales6.8%</div>	142.3	57.0 2.8%	-85.3	40%	7.0	50.0 2.6%
Net Income <div>to Net Sales5.3%</div>	110.5	39.0 1.9%	-71.5	35%	2.0	37.0 1.9%

Projections for Net Sales by Business Segment

(JPY in 100 millions)

	FY2019	Revised Projections for FY2020			Change from Previous Projections	FY2020 Projections (announced Oct, 2020)
		FY2020	Year/Year Change			
Connector	1,836	1,833	-3	100%	153	1,680
UIS	90	100	10	111%	0	100
Aerospace	149	130	-19	88%	-15	145
Others	7	7	0	100%	2	5
Total	2,081	2,070	-11	99%	140	1,930

Projections for Net Sales by Market Segment

(JPY in 100 millions)

	FY2019	Revised Projections for FY2020			Change from Previous Projections	FY2020 Projections (announced Oct, 2020)
		FY2020	Year/Year Change			
Mobile Devices	1,001	985	-16	98%	80	905
Automotive	704	710	6	101%	69	641
Industrial & Infrastructure	267	265	-2	99%	-14	279
Others	109	110	1	101%	5	105
Total	2,081	2,070	-11	99%	140	1,930

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 27, 2021, 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.

- ※ Effective from the beginning of the first quarter of the current fiscal year, the Company has changed its accounting policy and revised the calculation method of retirement benefit obligations and service cost. Accordingly, the key management indicators for the same quarter of the previous fiscal year and the previous fiscal year have been adjusted to reflect the retrospective application of these changes.
- ※ Total may not correspond to the total value of the items since amounts less than 100 million JPY are basically rounded off